FISCAL YEAR 2025

City of Grapevine, Texas
Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2025

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Contents

Introductory Section

	Page
Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	vi
Organization Chart	vii
Administrative Officials	viii
Home Rule, Council-Manager Form of Government	ix

Financial Section

Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	22
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Net Position – Proprietary Funds	26
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	28
Statement of Cash Flows – Proprietary Funds	29
Statement of Fiduciary Net Position	31
Statement of Changes in Fiduciary Net Position	32
Notes to the Financial Statements	34

Required Supplementary Information

General Fund Budgetary Comparison Schedule 75

Hotel Occupancy Tax Fund Budgetary Comparison Schedule. 76

Crime District Fund Budgetary Comparison Schedule 77

4B Economic Development Fund Budgetary Comparison Schedule 78

4B Transit Fund Budgetary Comparison Schedule 79

Notes to Required Supplementary Information 80

Schedule of Changes in Net Pension Liability and Related Ratios –
Texas Municipal Retirement System 82

Schedule of Contributions – Texas Municipal Retirement System 84

Schedule of Changes in Net OPEB Liability and Related Ratios – Health Care Benefit Plan . . . 86

Schedule of Investment Returns – Health Care Benefit Plan 88

Combining and Individual Fund Statements and Schedules

Nonmajor Governmental Funds:

Combining Balance Sheet – Governmental Funds – Nonmajor 91

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds – Nonmajor. 93

Debt Service Fund Budgetary Comparison Schedule 95

Discretely Presented Component Unit:

Balance Sheet – Discretely Presented Component Unit – Heritage Foundation 96

Reconciliation of the Balance Sheet to the Statement of Net Position –
Discretely Presented Component Unit – Heritage Foundation 97

Statement of Revenues, Expenditures, and Changes in Fund Balance –
Discretely Presented Component Unit. 98

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
to the Statement of Activities – Discretely Presented Component Unit 99

Statistical Section (Unaudited)

	Table	Page
Net Position by Component	1	102
Changes in Net Position	2	104
Fund Balances – Governmental Funds	3	108
Changes in Fund Balances – Governmental Funds	4	110
Taxable Sales by Category	5	112
Direct and Overlapping Sales Tax Rates	6	114
Assessed Value and Estimated Actual Value of Taxable Property	7	115
Property Tax Rates – Direct and Overlapping Governments	8	116
Principal Property Taxpayers	9	117
Property Tax Levies and Collections	10	118
Ratios of Outstanding Debt by Type	11	119
Ratios of General Bonded Debt Outstanding	12	121
Direct and Overlapping Governmental Activities Debt	13	123
Legal Debt Margin Information	14	124
Pledged Revenue Coverage – 4B Economic Development Fund	15	125
Pledged Revenue Coverage – Tax Increment Financing District Reinvestment Zone Number Two	16	126
Demographic and Economic Statistics	17	127
Principal Employers	18	128
Full-time Equivalent City Government Employees by Function/Program	19	129
Operating Indicators by Function/Program	20	130
Capital Asset Statistics by Function/Program	21	132

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Introductory Section

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February 25, 2026

To the Honorable Mayor,
Members of the City Council, and
Citizens of the City of Grapevine, Texas

The Fiscal Services Department is pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Grapevine. The City's Management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The data is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City government. To provide the reader a clear understanding of the City's financial activities, all necessary disclosures have been included.

The City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City. The City Charter specifies that independent accountants selected by the City Council conduct such audits. Forvis Mazars, LLP was selected by the City Council to conduct this year's audit. The independent auditor's report on the basic financial statements is included in the financial section of this report. This report fulfills the requirement of state law which requires the City to file with the State an annual financial statement and audit opinion within 180 days after the last day of the municipality's Fiscal Year (FY).

Forvis Mazars, LLP has issued unmodified ("clean") opinions on the City of Grapevine's financial statements for the year ended September 30, 2025. The independent audit report is located at the front of the financial section of this report.

The Management's Discussion and Analysis (MD&A) is a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A can be found immediately following the independent auditor's report. The letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The statistical section of the ACFR includes selected financial and demographic information, generally presented on a multi-year basis.

Fiscal Services • 200 South Main Street • Grapevine, Texas • 76051 • 817-410-3113 • Fax 817-410-3013

Profile of the City of Grapevine

Incorporated in February 1907, Grapevine is a home rule City operating under a Council-Manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a Mayor and a six-member City Council. The City Manager is appointed by the City Council and is responsible for carrying out policies and for the daily management of the City. Council members serve three-year staggered terms, with two Council members elected each year. The Mayor is elected to serve a three-year term.

The City is located in the center of the Dallas/Fort Worth metropolitan area, 21 miles northwest of downtown Dallas and 19 miles northeast of downtown Fort Worth. Three major freeways, State Hwy 114, State Hwy 121, and Interstate Hwy 635, intersect in the heart of Grapevine. The central location and highway system provide excellent access to area shopping, entertainment, and employment centers. The City is located in Northeast Tarrant County and is home to the Dallas/Fort Worth International Airport. Two-thirds of the airport properties are located within Grapevine city limits, and Grapevine participates in a legislatively mandated revenue share agreement with the cities of Fort Worth and Dallas. The City is approximately 35 square miles and serves an approximate population of 52,000.

The City provides a full range of services, including police and fire protection, emergency ambulance service, planning and zoning, public improvements, water and sewer services, sanitation services, extensive parks and recreation facilities, library services, street and other public infrastructure maintenance and improvements, and general administrative services. Internal services including fleet operations, technology, and risk management are provided through the General Fund. Additionally, the City offers a 27-hole golf course, a very active economic development focus, and an aggressive marketing plan designed to promote the growth and development of industry and tourism within the City.

The City of Grapevine's Home Rule Charter provides for the submission of the budget to the City Council by the City Manager. At least sixty days and no more than ninety days before the beginning of the fiscal year, the City Manager must submit a proposed budget to the City Council. The annual budget serves as the foundation for the City of Grapevine's financial planning and control. The budget is prepared by fund and department, allowing the City Manager to approve the transfer of expenditures within a fund. The Grapevine Code of Ordinances establishes a balanced budget provision for the General and Debt Service funds. Total estimated expenditures within these funds shall not exceed the total estimated resources; however, it does provide for disclosure when a deviation from a balanced budget is necessary. The budget may be amended, and appropriations altered in cases of public necessity, upon declaration of the City Council.

Component units are legally separate organizations that a primary government must include as a part of its financial reporting entity. The City has included financial statements for five blended component units due to their fiscal dependency on the primary government. The Tax Reinvestment Zones Numbers One and Two, the Crime Control and Protection District, the Grapevine 4B Economic Development Corporation, and the 4B Transit Fund, which accounts for local sales tax used to fund Grapevine's participation in the commuter rail development project with the Trinity Metro (TexRail). The 4B Economic Development Fund accounts for a portion of the local sales tax, which is used to stimulate the local economy, promote new development, and spur redevelopment of other areas.

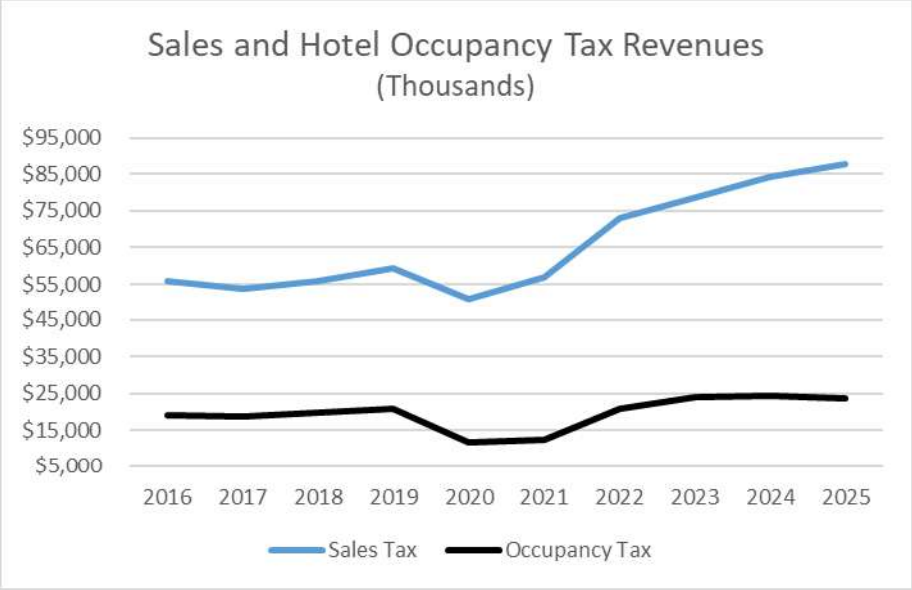
The Heritage Foundation is a legally separate organization that is a discretely presented component unit of the City. The Foundation was organized to promote the preservation, protection and economic development of Grapevine's physical and cultural heritage. Additional information on all six component units can be found in Note 1 in the notes to the financial statements.

Local Economy

During FY 2025, Grapevine continued to experience economic growth due to economic development programs and a stable political climate. The 41st Annual Main Street Fest, and the 39th Annual GrapeFest – A Texas Wine Experience were held in May and September, respectively. These family friendly events brought visitors to downtown Grapevine for festival fun with live music and entertainment, shopping at local Main Street boutiques, galleries, and much more. The City's unemployment rate remained stable at 3.4%, which was lower than the state's unemployment rate of 4.1% for the same time.

Sales Tax, the single largest revenue stream for the City, increased $3.7 million or 4.4% from the prior fiscal year. Sales from tourism as well as retail sales and full-service restaurants performed better than the prior fiscal year. Sales tax revenues over the last ten years are illustrated in the table below.

The City's hotel occupancy tax receipts decreased $1.1 million or 4.3% from prior fiscal year. This decrease was driven by several hotels undergoing renovations.



The City supports various Economic Development projects that produce a meaningful impact on the City and its economy and result in the growth of business activity and employment. The most common tool that is used for such projects is the Chapter 380 agreement which offers sales tax rebates. The City currently has eight active Chapter 380 agreements in place.

Long-term Financial Planning

The City Council establishes long term financial goals each year as a part of the budgeting process. For FY 2025, the Council continued with the following goals:

(1) Maintain financial stability and strong fiscal management
(2) Sustain existing programs at high service levels
(3) Provide a safe and secure community
(4) Continue to enhance tourism development
(5) Invest in "Quality of Life" capital projects

Grapevine continued to maintain financial stability and strong fiscal management for FY 2025. The General, Debt Service, Utility Enterprise and Stormwater Drainage funds ended the fiscal year with fund balances that meet or exceed their requirement. The City also maintained existing services and transferred from the General Fund $2,405,253 to the Capital Equipment Fund, $2,416,788 to the Crime District Fund, $4,899,450 to the Permanent Capital/Street Maintenance Fund, $1,900,000 to the Quality of Life Fund and $1,000,378 to the Capital Projects Fund.

In meeting the goal of providing a safe and secure community, the Police Department responded to 41,059 calls for service while the Fire Department responded to 2,215 calls for service and 5,452 ambulance runs.

Major Economic Initiatives and Community Development

Grapevine is home to many successful businesses as well as numerous wineries, fine dining, nationally ranked festivals, and select attractions and resorts. Its economic development efforts are designed to further increase visitors and tax revenues through projects that emphasize hospitality, entertainment, and retail uses. Grapevine also boasts exceptional commercial and office facilities that capitalize on the City's central location in one of the top regions in the nation for business. Grapevine's close proximity to the third busiest airport in the world provides ready access to major U.S. and international markets.

Construction values decreased from FY 2024 by $47 million to $220 million in FY 2025. Among the largest categories in this fiscal year were $106 million in commercial alterations and $20 million in new single-family residences. These values accounted for approximately 57% of the construction values.

The Dallas Area Rapid Transit (DART) Silver Line is a $1.89 billion project that will add 26 miles of new rail between Plano and DFW International Airport. The Silver Line was completed and opened on October 25, 2025. It connects with TEXRail in Grapevine at the DFW North Station. This additional connectivity will help to further stimulate the local economy.

Trinity Metro's commuter rail line is expected to expand another 2.1 miles to the Fort Worth Medical District. Grapevine is the second most visited station on the line with approximately 126,300 riders in 2025.

Hotel Vin Reserve, a 120-room expansion to Coury Hospitality's Hotel Vin, was approved to be built on the recently vacated Sunbelt Rental property at 321 E. Dallas Rd. The new hotel will include pre-function space, an event hall, outdoor pool, and spa. Construction is underway with anticipated completion in early 2027.

Strategic efforts to revitalize the Crossroads business complex have resulted in a $14 million dual-branded (Hampton-Inn & Home2 Suites by Hilton) hotel. The five-story property will feature 201 rooms, two outdoor flex spaces, outdoor pool and lounge, gym, and spa/wellness center. Construction is expected to begin in 2026 and be completed in early 2027.

In partnership with Grapevine Mills and Dude Perfect, construction adventure park Dig World plans to open its second Texas location in Grapevine. Guests will be able to safely operate modified heavy equipment such as skid steers, excavators, boom lifts, and UTVs.

Newcrest Image plans to construct a 200 room AC Hotel By Marriott in northeast Grapevine. The property will include outdoor spaces, a pool, event space, gym, and meeting rooms. Completion of the hotel is expected in early 2029.

Primark, an international fashion retailer founded in Ireland with 460 stores worldwide, recently opened at Grapevine Mills making it one of the first of five U.S. locations. The 42,800 square foot space was recently renovated with construction costs estimated at $12.5 million.

Floor & Décor, a retail flooring and accessories store, will be taking over the former LA Fitness located in north Grapevine. Renovations to the existing building along with the addition of 18,000 square feet are underway. Total construction costs are estimated to be $6.8 million. Floor & Décor is expected to open in 2026.

Awards and Acknowledgments

The City's Fiscal Services Department was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its annual comprehensive financial report ("ACFR") for the fiscal year ended September 30, 2024. This was the 38th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City's Fiscal Services Department was also awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2025. The City received special recognition for its long-range operating financial plans. To qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The City's Purchasing Department, which is a part of the Fiscal Services Department, received the 2025 Achievement of Excellence in Procurement Award. This award recognizes organizational excellence in public procurement.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire Fiscal Services Department. The Fiscal Services Department would also like to express our appreciation to other City department staff that provided information and contributed to the preparation of this report and to thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and professional manner.

Respectfully submitted by:

Jeff Strawn
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Grapevine
Texas

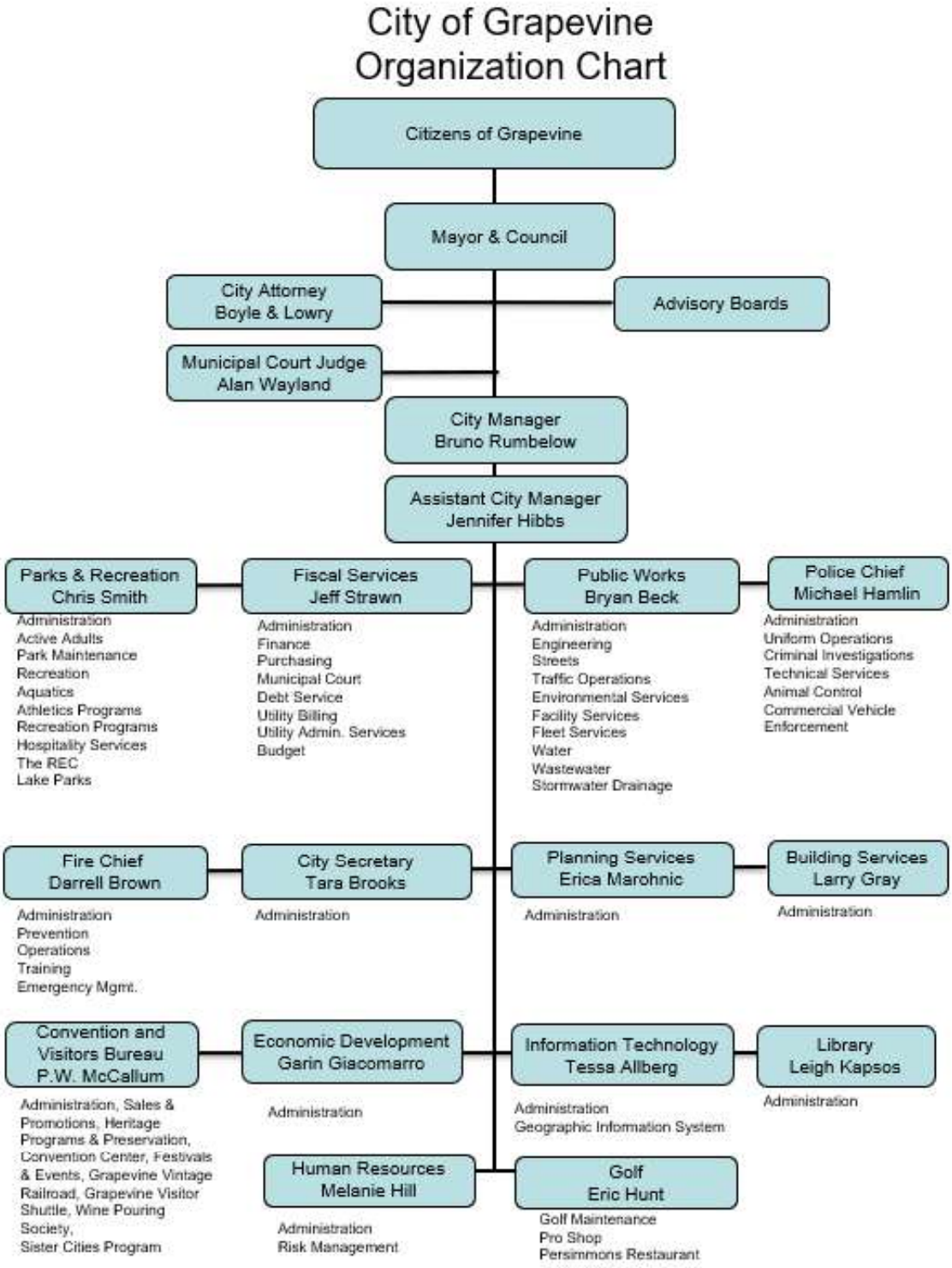
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

City of Grapevine, Texas
Organizational Chart
September 30, 2025



City of Grapevine, Texas
Administrative Officials
September 30, 2025

Bruno Rumbelow
City Manager

Jennifer Hibbs
Assistant City Manager

Tara Brooks
City Secretary

Matthew Boyle
City Attorney

Alan Wayland
Municipal Court Judge

Jeff Strawn
Chief Financial Officer

Bryan Beck
Director of Public Works

Erica Marohnic
Director of Planning Services

Darrell Brown
Fire Chief

Michael Hamlin
Chief of Police

Leigh Kapsos
Library Director

Chris Smith
Director of Parks and Recreation

Eric Hunt
Director of Golf

P.W. McCallum
Executive Director, Convention &Visitors Bureau

Melanie Hill
Human Resources Director

Shellie Johnson
Internal Audit Director

Tessa Allberg
Chief Technology Officer

Garin Giacomarro
Director of Economic Development

Lary Gray
Building Official

City of Grapevine, Texas
Home Rule, Council-Manager Form of Government
September 30, 2025

William D. Tate
MAYOR

CITY COUNCIL

Paul Slechta, Mayor Pro Tem

Chris Coy

Leon Leal

Sharron Rogers

Duff O'Dell

Sean Shope

Bruno Rumbelow
CITY MANAGER

Jennifer Hibbs
ASSISTANT CITY MANAGER

Jeff Strawn
CHIEF FINANCIAL OFFICER

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Financial Section

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Forvis Mazars, LLP
14221 Dallas Parkway, Suite 400
Dallas, TX 75254
P 972.702.8262 | F 972.702.0673
forvismazars.us

Independent Auditor's Report

The Honorable Mayor and
Members of the City Council
City of Grapevine, Texas

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Grapevine, Texas (City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a

material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion,

the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Forvis Mazars, LLP

Dallas, Texas
February 25, 2026

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As management of the City of Grapevine (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $516,225,271 (net position).
- The City's total net position increased by $14,075,278 from operations. $17,719,118 of this increase was attributable to governmental activities and $(3,643,840) was due to business-type activities.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of $167,843,316, a decrease of $3,067,365 from the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was $16,374,267 or 22.0% of total General Fund expenditures (excluding capital outlay and debt service expenditures that relate to long-term assets and liabilities).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information intended to furnish additional details to support the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all the City's assets, deferred outflows (inflows) of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both government-wide financial statements distinguish the functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, culture and recreation, public works, transportation, tourism, and economic development. The business-type activities of the City include water and sewer services and the lake enterprise activities (golf course).

The government-wide financial statements include not only the City itself (known as the *primary government*), but also include the Heritage Foundation, which is a legally separate entity for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Tax Increment Reinvestment Zones Numbers One and Two, the Crime Control and Prevention District (Crime District), and the Grapevine 4B Economic Development Corporation, although legally separate, function for all practical purposes as departments of the City and therefore have been included as an integral part of the primary government.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The fund financial statements for governmental funds, proprietary funds, and fiduciary funds can be found in the financial section of this report.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 19 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Hotel Occupancy Tax Fund, Crime District Fund, 4B – Economic Development Fund, 4B – Transit Fund, Debt Service Fund, TIF #1 Capital Projects Fund and General Facilities and Equipment Fund, all of which are considered to be major funds.

Data from the other eleven governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

Proprietary Funds

The City maintains one type of proprietary fund. *Enterprise funds* are used to report on the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer Fund, and Lake Enterprise Fund (golf course).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Lake Enterprise Fund, which are both considered to be major funds.

Fiduciary Funds

Fiduciary fund level financial statements include assets that are held in a trustee or fiduciary capacity and are therefore not available to support City programs; these funds are not included in the government-wide statements. The City has two types of fiduciary funds.

The Other Postemployment Benefit (OPEB) Trust Fund is used to report assets held for beneficiaries to fund future postemployment benefits other than pensions. The Private-purpose Trust Fund is used to report resources held in trust for the W.D. Tate Scholarship Fund. See *Note 1* for additional information pertaining to fiduciary funds.

Notes to the financial statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information*. The required supplementary information section of this report includes budgetary comparison schedules for the General Fund and major special revenue funds with legally adopted budgets, which include the Hotel Occupancy Tax Fund, Crime District Fund, 4B Economic Development Fund, and 4B Transit Fund. This section of the report also includes schedules detailing the City's progress in funding its liabilities related to providing pension and OPEB benefits to its employees.

The combining and individual fund statements and schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on the City's pension and OPEB plans.

Government-Wide Overall Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2025, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $516,225,271.

City of Grapevine's Net Position

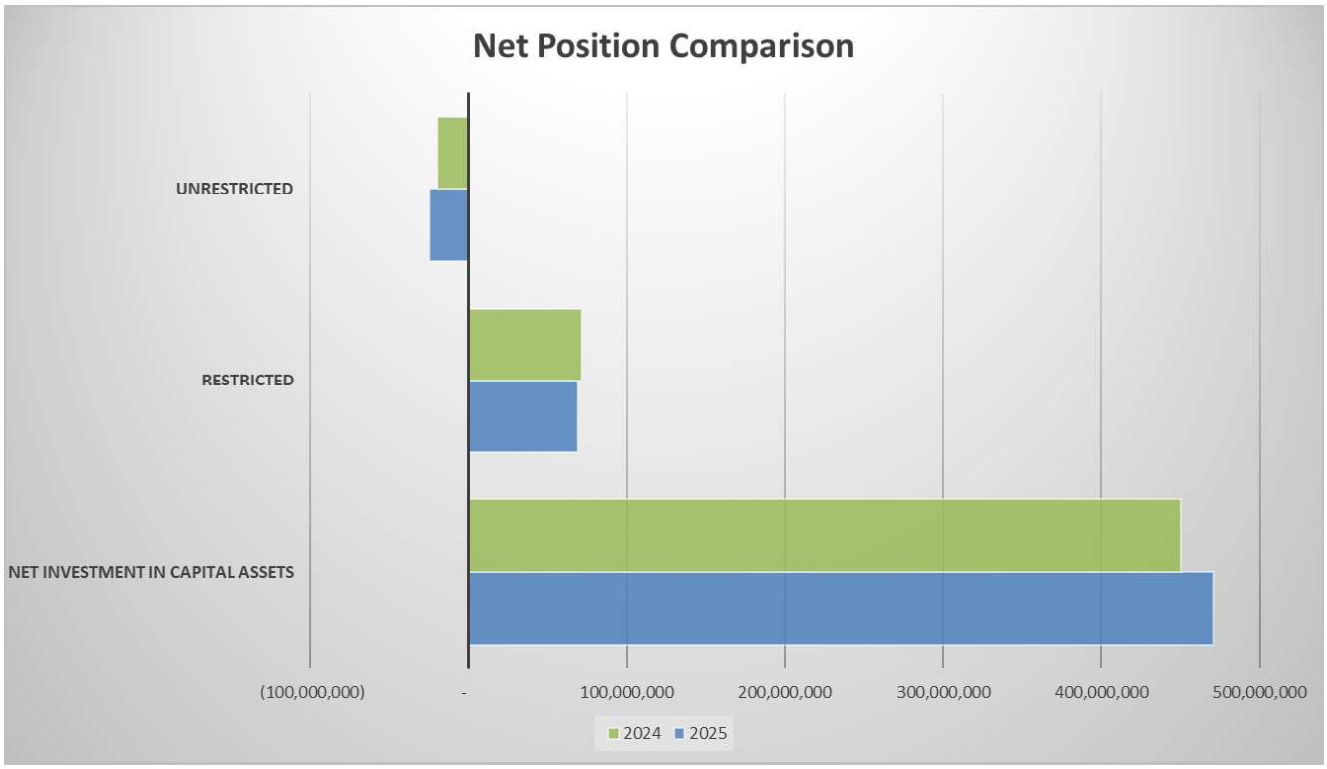
	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 203,032,462	$ 209,097,855	$ 34,753,726	$ 44,154,678	$ 237,786,188	$ 253,252,533
Capital, lease, and subscription assets	453,488,447	436,540,054	166,686,474	161,640,233	620,174,921	598,180,287
Total assets	656,520,909	645,637,909	201,440,200	205,794,911	857,961,109	851,432,820
Deferred outflows of resources	34,928,025	32,654,812	3,610,296	3,214,456	38,538,321	35,869,268
Other liabilities	25,580,710	25,703,766	5,598,626	5,732,691	31,179,336	31,436,457
Long-term liabilities	280,976,837	285,008,743	39,527,853	39,377,745	320,504,690	324,386,488
Total liabilities	306,557,547	310,712,509	45,126,479	45,110,436	351,684,026	355,822,945
Deferred inflows of resources	26,438,516	26,846,459	2,151,617	2,482,691	28,590,133	29,329,150
Net position:						
Net investment in capital assets	311,476,961	295,796,664	159,737,887	154,488,000	471,214,848	450,284,664
Restricted	65,999,391	67,994,862	3,637,803	3,664,607	69,637,194	71,659,469
Unrestricted	(19,023,481)	(23,057,773)	(5,603,290)	3,263,633	(24,626,771)	(19,794,140)
Total net position	$ 358,452,871	$ 340,733,753	$ 157,772,400	$ 161,416,240	$ 516,225,271	$ 502,149,993

Current and other assets decreased in the governmental and business-type activities by $15,466,345 from the prior year. The decrease in cash and investments of $20,312,879, is the largest portion of this decrease and is largely due to capital projects and planned spending of proceeds from the issuance of debt, offset by an increase in accounts receivables of $3,257,828.

Long-term liabilities for the City consist of bonds, contractual obligations, compensated absences, lease liabilities, subscription liabilities, and OPEB and pension liabilities. Debt service payments of almost $13.9 million were made during the year to pay down the balances of bonds and contractual obligations. The City's pension liability decreased by $11.2 million primarily as a result of net investment income (loss) and the City's OPEB liability increased by $21.8 million as a result of many factors including a change in the discount rate from 3.80% to 4.10%.

The largest portion of the City's net position is its investment in capital assets of $471,214,848 (e.g., land, building, equipment, improvements, construction in progress, infrastructure, lease assets and subscriptions assets), less any debt used to acquire capital, lease, and subscription assets still outstanding. The City uses these capital, lease, and subscription assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital, lease and subscription assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital, lease, and subscription assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position includes (1) use of impact fees for construction purposes ($3,637,803), (2) debt service ($28,250,407), (3) capital projects ($5,626,933), (4) court security and technology ($818,960), (5) public safety ($10,731,416), (6) records preservation ($25,069), (7) economic development ($20,388,282), (8) culture and recreation ($101,815), and (9) transportation ($56,509).



For fiscal year-end 2025, the City is able to report positive balances in two categories of net position for the City as a whole. Unrestricted net position is a deficit for the governmental activities and in total for the City. This is due in part to the recognition of the net pension liability under the requirements of GASB Statement No. 68, the recognition of the net OPEB liability under GASB Statement No. 75, and also due to the fact that the City has a substantial amount of debt related to TIF #2 which is not capital related.

Analysis of the City's Operations

The following table provides a summary of the City's operations for the year ended September 30, 2025, and 2024:

City of Grapevine's Changes in Net Position

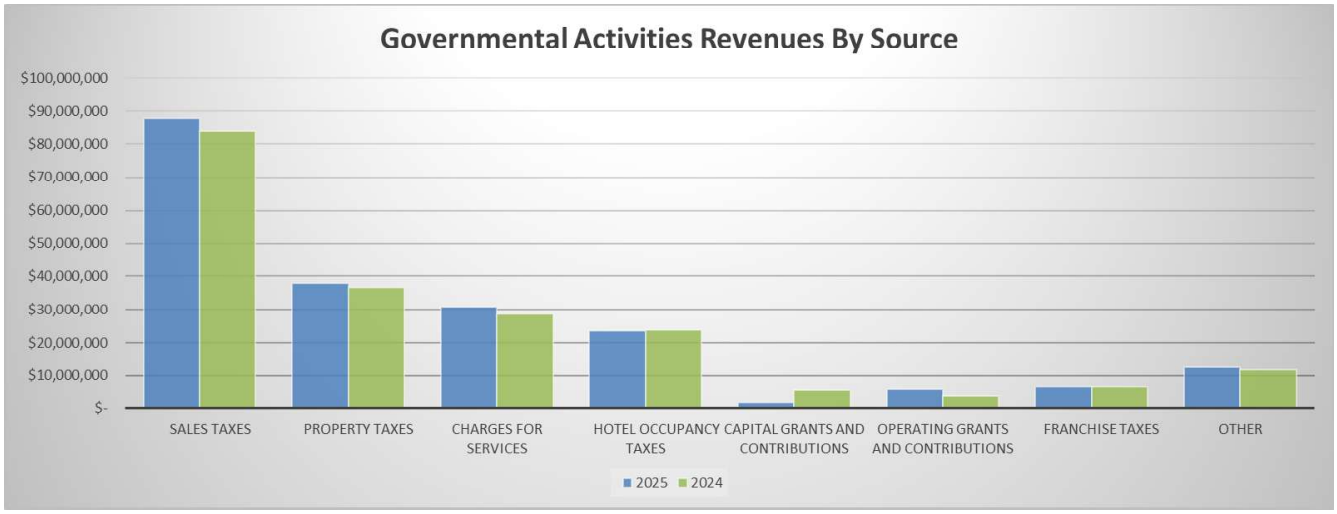
	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 30,737,942	$ 28,639,828	$ 40,772,652	$ 39,763,674	$ 71,510,594	$ 68,403,502
Operating grants and contributions	6,064,403	3,962,828	-	-	6,064,403	3,962,828
Capital grants and contributions	1,713,912	5,607,180	1,431,534	2,044,733	3,145,446	7,651,913
General revenues:						
Property taxes	37,748,365	36,531,261	-	-	37,748,365	36,531,261
Hotel occupancy taxes	23,512,535	23,744,468	-	-	23,512,535	23,744,468
Sales taxes	87,756,671	84,073,115	-	-	87,756,671	84,073,115
Mixed beverage taxes	2,729,384	2,729,204	-	-	2,729,384	2,729,204
Franchise taxes	6,736,503	6,804,232	-	-	6,736,503	6,804,232
Investment earnings	6,954,363	7,667,508	1,458,433	1,856,319	8,412,796	9,523,827
Gain on sale of capital assets	622,788	-	266,968	-	889,756	-
Miscellaneous	2,121,759	1,417,523	291,554	942,830	2,413,313	2,360,353
Total revenues	206,698,625	201,177,147	44,221,141	44,607,556	250,919,766	245,784,703
Expenses:						
General government	33,134,071	27,151,257	-	-	33,134,071	27,151,257
Public safety	57,552,666	50,414,266	-	-	57,552,666	50,414,266
Culture and recreation	29,087,988	27,099,759	-	-	29,087,988	27,099,759
Public works	15,907,673	21,246,764	-	-	15,907,673	21,246,764
Transportation	15,003,172	14,561,907	-	-	15,003,172	14,561,907
Economic development	8,907,011	8,287,451	-	-	8,907,011	8,287,451
Tourism	27,003,660	26,552,166	-	-	27,003,660	26,552,166
Interest on long-term debt	4,473,085	4,767,036	-	-	4,473,085	4,767,036
Water and sewer	-	-	38,839,404	36,418,882	38,839,404	36,418,882
Lake enterprise	-	-	6,935,758	6,633,030	6,935,758	6,633,030
Total expenses	191,069,326	180,080,606	45,775,162	43,051,912	236,844,488	223,132,518
Increases in net position before extraordinary item and transfers	15,629,299	21,096,541	(1,554,021)	1,555,644	14,075,278	22,652,185
Transfers	2,089,819	1,420,330	(2,089,819)	(1,420,330)	-	-
Change in Net Position	17,719,118	22,516,871	(3,643,840)	135,314	14,075,278	22,652,185
Net Position, Beginning	340,733,753	318,216,882	161,416,240	161,280,926	502,149,993	479,497,808
Net Position, Ending	$ 358,452,871	$ 340,733,753	$ 157,772,400	$ 161,416,240	$ 516,225,271	$ 502,149,993

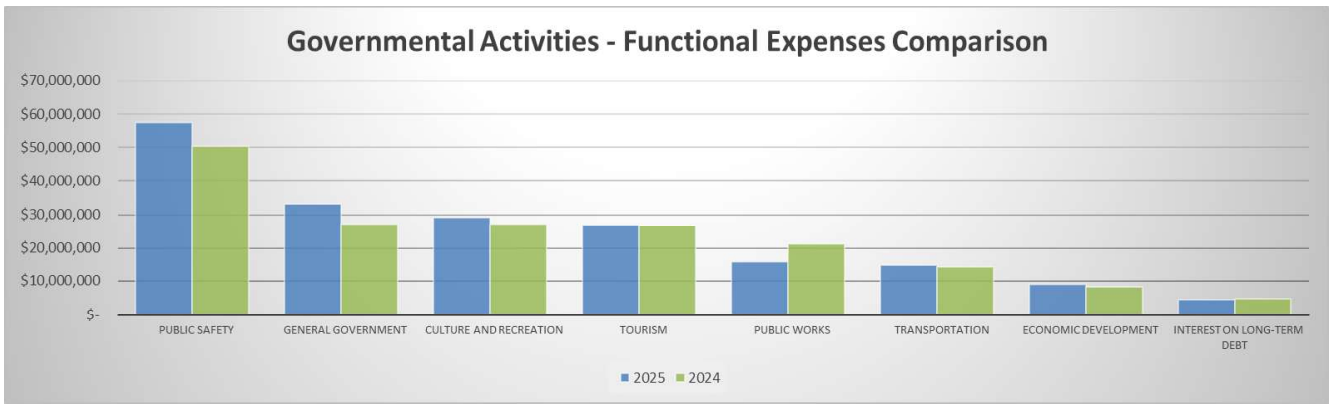
Governmental activities – Governmental activities increased the City's net position by $17,719,118 from operations. This increase can broadly be attributed to increases in general revenues such as sales taxes, property taxes, miscellaneous revenues and gain on sale of capital assets as well as charges for services.

In total, revenues for Governmental activities increased by $5,521,478 or 3% in FY2025. The City experienced increases in several categories of revenue. The largest of these increases was sales tax which increased by $3,683,556 from the previous fiscal year due to the robust economy. Another increase came from miscellaneous revenues which increased by $704,236 due to insurance recoveries and $622,788 from sale of capital assets.

The City's expenses for FY2025 increased by $10,988,720 or 6%. Some functions such as public safety, culture and recreation, and general government reflect significant increases in operating expenses which are offset by a decrease in public works. Public Safety expenses were up from FY2024 due primarily to increased salaries, benefits, and pension costs. Culture and recreation increased due to higher salaries, benefits, and pension costs as well as increases for supplies and janitorial expenses. General government was higher due primarily to increased salaries, benefits, and pension costs.

All functions that include personnel reflect increases in expenses related to the City's pension and OPEB plan. A net of $4.5 million in expenses related to the City's pension and OPEB plan were allocated across the governmental activities.

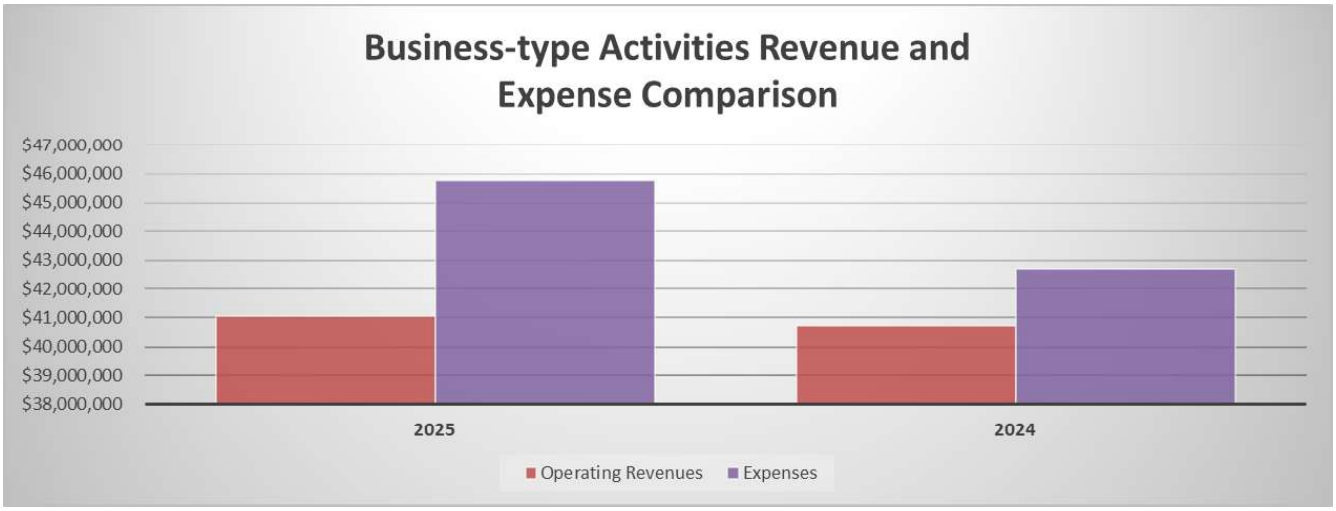




Business-type activities – In total, the business-type activities decreased the City's net position by $3,643,840. Water and Sewer Utilities decreased net position by $3,905,849 while Lake Enterprise (golf) increased net position by $262,009.

The change in net position of the Water and Sewer Fund resulted from slight increase revenues offset by an increase in expenses and decrease in capital contributions. The increase in expenses is mostly attributed to scheduled debt service interest payments on Series 2024 debt issued in fiscal year 2024, as well as increased salaries, benefits, and pension costs and increased depreciation expense as a result of placing significant assets in service during fiscal year 2024.

The Lake Enterprise Fund (golf course) had increased revenues from FY2024 related to green fees and cart rentals due to higher participation resulting from improved weather conditions throughout the year, as well revenues from the sale of capital assets. These increases were offset by increases in salaries and benefits, various supplies, and depreciation expense.



Financial Analysis of the City's Funds

Governmental funds – The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $167,843,316, a decrease of $3,067,365 compared with the prior year. Unassigned fund balance is $13,123,882 (7.8%), which is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it is (1) non-spendable ($5,524,568) (2) restricted for debt service, capital projects, court security and technology, economic development, public safety, records preservation, tourism, transportation, and culture and recreation programs ($72,358,628) (3) committed for capital projects, stormwater drainage and public arts ($8,918,229) (4) or assigned for capital projects, tourism, public safety, culture and recreation programs, and OPEB plan contributions ($67,918,009).

Significant changes in fund balances of major funds are as follows:

General Fund – The General Fund is the chief operating fund of the City. At the end of FY2025, unassigned fund balance of the General Fund was $16,374,267, while total fund balance equaled $17,341,080. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 22.0% of total General Fund expenditures (excluding capital outlay and debt service expenditures that relate to long-term assets and liabilities), while the total fund balance represents approximately 23.4% of that same amount.

The fund balance of the General Fund increased by $511,693 for FY2025. Revenues increased in the General Fund from FY2024 to FY2025 by $1,740,633. Property taxes increased in the General Fund by $412,948 for FY2025. This increase is primarily due to increases in property values. Sales tax revenue increased by $1,840,928 as a result of a robust economy. Overall increase in revenues was offset by a decrease of $464,614 in Intergovernmental revenue, primarily due to revenue for provision of school resource officers.

General Fund expenditures increased from FY2024 to FY2025 by $634,847. Expenditures for general government decreased by $845,132 for FY2025. This is primarily due to an increase in DFW Revenue share expense and employee benefits. Public safety expenditures increased from FY2024 to FY2025 by $1,377,120. This increase is primarily due to an increase in personnel expenses. Culture and recreation expenditures increased from FY2024 to FY2025 by $949,498. This increase is primarily due to personnel expenses for salary and wage increases consistent with the City's goal to maintain and care for its employees and professional services. Capital outlay expenditures decreased from FY2024 to FY2025 by $1,750,151. This decrease is primarily due to the recognition of an expenditure associated with a long-term lease asset in prior year, which was offset in the fund financials by an other financing source for leases issued.

Special Revenue – Hotel Occupancy Tax Fund – Fund balance in the Hotel Occupancy Tax Fund increased for FY2025 by $1,929,179. Although revenues exceeded expenditures for FY2025 resulting in an overall increase in fund balance, the change in fund balance decreased from FY2024. This change is a result of a decrease in revenue and an increase in expenditures. The decrease in revenues can be mostly attributed to a decrease of $1,054,506 for hotel occupancy tax and a decrease in investment income of $130,962 due to fluctuations in the market and interest rates over the past year.

Expenditures in the Hotel Occupancy Tax Fund increased from $25,902,204 in FY2024 to $26,076,940 in FY2025. This increase is primarily attributed to an increase in personnel expenses for salary and wage increases consistent with the City's goal to maintain and care for its employees as well as increase in train expenses offset by a decrease in community distributions.

Special Revenue – Crime District Fund – Fund balance of the Crime District Fund decreased by $186,613. Sales tax revenues, which are the primary funding source of the Crime District Fund, increased by $918,813 due to a robust local economy. Expenditures in the Crime District Fund had an increase of $2,085,835, offset by transfers into the fund of $2,416,788. Increase in expenditures is primarily due to an increase in personnel expenses for salary and wage increases consistent with the City's goal to maintain and care for its employees.

Special Revenue – 4B – Economic Development – The 4B-Economic Development fund balance reflects a decrease of $4,939,952 over last fiscal year. Sales tax revenues increased by $449,762 during the year due to a high performing local economy. Expenditures were up by $4,719,407 primarily due to the purchase of land and related improvements at Settler's Park which was offset by a decrease in distributions during the year related to 380 agreements that the City has entered into.

Special Revenue – 4B – Transit – Fund balance in the 4B-Transit increased for FY2025 by $11,744. Sales tax collected in this fund has been pledged to the Trinity Metro. Any sales tax collections in this fund, less half of the operating costs of the City's visitor shuttle service, are distributed to the Trinity Metro to help fund commuter rail service in Grapevine. Sales taxes in this fund increased for the current period by $474,053 because of a robust local economy, and as the revenues in this fund increase, so do the corresponding expenditures.

Debt Service Fund – The total fund balance of $6,966,200 in the Debt Service Fund is restricted for the payment of debt obligations. This balance has increased by $296,497 as a result of transfers from other funds to offset the increased debt service requirements which are slightly more than receipts from property taxes.

Capital Projects – TIF #1 – The net increase in fund balance for the TIF #1 capital projects fund for fiscal year 2025 was $1,530,438. The property taxes and investment earnings collected in this fund for the year were $2,331,630, and was offset by almost $700K that used for improvements at Settler's Park.

Capital Projects – General Facilities and Equipment – The fund balance increased $1,180,190 from the prior year primarily as a result of revenues from Grapevine Main of $4,169,545 and insurance recoveries of $751,239 related to December 2022 tornado damage. Expenditures also increased due to construction and capital asset related projects.

Capital Projects – Grant – The fund balance decreased $2,719,083 from the prior year primarily as a result of incurring grant eligible expenditures during fiscal year 2025 that were not reimbursed within 60 days of year-end and therefore reflected as a deferred inflow of resources in the fund financial statements. Fund balance will increase in 2026 with the collection of reimbursements for grant eligible expenditures.

Proprietary Funds – The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Significant amendment changes:

There were no changes to budgeted revenues or expenditures for the fiscal year 2025.

Significant budget variances:

Revenues exceeded budget by $4,701,892 as a result of a robust and active economy which more than covered the expenditures that exceeded budget by 3,558,370. More than half of the increase in revenues is reflected in increased sales tax revenue and charges for services.

Capital, Lease and Subscription Assets and Debt Administration

Capital, lease, and subscription assets—The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounted to $620,174,921 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, intangible assets, construction in progress, lease assets and subscription assets. The total net increase in the City's investment in capital assets for the current fiscal year 2025 was $21,994,634 (approximately 4%).

Major capital asset events during the current fiscal year 2025 included the following:

- Developer contributed paving and drainage projects of $485,455.
- Service center projects of $7,252,180 were added to construction in progress.
- The acquisition of land and related improvements at Settler's Park of $5,004,413.
- The FY2025 acquisition of vehicles and equipment totaling $6,331,651.
- Golf vehicles and equipment of $1,087,879.
- Water and Sewer vehicles and equipment of $703,573.
- The Water and Sewer Fund added $6,739,378 to utility project construction in progress to extend and improve the City's water and sewer system. Donated water and sewer assets totaled $1,283,397.

City of Grapevine's Capital, Lease, and Subscription Assets at Year-End

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 41,787,178	$ 36,782,765	$ 593,970	$ 593,970	$ 42,381,148	$ 37,376,735
Right-of-way/easements	79,562,729	79,562,729	57,555,464	57,555,464	137,118,193	137,118,193
Construction in progress	24,926,353	16,099,159	9,792,851	8,291,064	34,719,204	24,390,223
Buildings	182,912,381	188,154,357	4,762,034	4,911,099	187,674,415	193,065,456
Improvements other than buildings	39,817,087	34,037,263	3,141,109	1,904,275	42,958,196	35,941,538
Machinery and equipment	27,274,512	23,962,406	5,809,047	4,697,525	33,083,559	28,659,931
Software and subscriptions	2,070,811	813,880	115,236	36,241	2,186,047	850,121
Infrastructure	55,137,396	57,127,495	84,916,763	83,650,595	140,054,159	140,778,090
Total	$ 453,488,447	$ 436,540,054	$ 166,686,474	$ 161,640,233	$ 620,174,921	$ 598,180,287

Additional information on the City's capital assets can be found in *Note 5* of the notes to the financial statements.

Long-term debt—At the end of the current fiscal year, the City had total bonded debt outstanding of $172,055,343.

City of Grapevine's Outstanding Bonds, Notes Payable, Lease and Subscription Liabilities at Year-End

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 56,090,000	$ 61,985,000	$ -	$ -	$ 56,090,000	$ 61,985,000
Certificates of obligation	67,860,725	71,412,975	23,949,275	24,927,025	91,810,000	96,340,000
Revenue bonds	12,845,000	15,995,000	-	-	12,845,000	15,995,000
Contractual obligations	928,590	1,261,776	-	-	928,590	1,261,776
Premiums/discount on bonds issued	5,072,947	5,641,771	1,294,862	1,391,784	6,367,809	7,033,555
Lease liability	2,872,491	3,233,669	17,609	32,086	2,890,100	3,265,755
Subscription liability	1,055,706	84,278	68,138	-	1,123,844	84,278
Total	$ 146,725,459	$ 159,614,469	$ 25,329,884	$ 26,350,895	$ 172,055,343	$ 185,965,364

Additional information on the City's long-term debt can be found in *Note 10* of the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

In the fiscal year 2026 budget, total City revenues are budgeted at $246.7 million, an increase of $4.8 million (2%) from the previous year. The City also lowered the property tax rate to $.237228 per $100 of valuation which represents a 2% reduction from the FY2025 rate of $0.241165.

The FY2026 Budget includes no increases in sales tax revenue and a 5% increase to hotel occupancy tax.

The economy of the City of Grapevine and the Dallas-Fort Worth Metroplex continues to outpace state and national growth. The City continues to focus on quality of life, economic development, and cultural, educational, and recreational amenities for the community.

The General Fund reserve requirement is expected to be at approximately 22% of budgeted expenditures for the fiscal year 2026. This meets the requirement of 20% of budgeted expenditures required by the City Charter.

Contacting the City's Financial Management

The financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances. If you have questions about this report or need additional information, contact the Finance Division, City of Grapevine, 200 S. Main Street, Grapevine, Texas 76051.

Basic Financial Statements

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City of Grapevine, Texas
Statement of Net Position
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Heritage Foundation
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	$ 151,111,849	$ 6,680,653	$ 157,792,502	$ 648,753
Receivables, net:				
Taxes	16,917,860	-	16,917,860	-
Accounts	4,393,558	3,776,339	8,169,897	-
Leases	6,866,334	-	6,866,334	-
Notes receivable	3,539,758	-	3,539,758	-
Internal balances	15,366	(15,366)	-	-
Due from other governments	6,867,254	-	6,867,254	-
Inventory	665,620	126,244	791,864	-
Accrued interest	34,278	-	34,278	-
Prepaid expenses	4,753,528	-	4,753,528	-
Deposits	105,420	-	105,420	-
Restricted assets:				
Cash and investments	7,761,637	24,185,856	31,947,493	-
Capital, lease, and subscription assets (net of accumulated depreciation/amortization):				
Non-depreciable	146,276,260	67,942,285	214,218,545	450,067
Depreciable	307,212,187	98,744,189	405,956,376	575,722
Total assets	656,520,909	201,440,200	857,961,109	1,674,542
Deferred Outflows of Resources				
Deferred outflows related to pensions	13,064,762	1,255,427	14,320,189	-
Deferred outflows related to OPEB	21,036,972	2,354,869	23,391,841	-
Deferred loss on bond refunding	826,291	-	826,291	-
Total deferred outflows of resources	34,928,025	3,610,296	38,538,321	-
Total assets and deferred outflows of resources	$ 691,448,934	$ 205,050,496	$ 896,499,430	$ 1,674,542
Liabilities, Deferred Inflows of Resources and Net Position				
Liabilities				
Accounts payable	$ 12,359,647	$ 3,525,790	$ 15,885,437	$ 12,911
Contracts and retainage payable	1,017,190	258,550	1,275,740	-
Claims payable	1,039,438	-	1,039,438	-
Accrued and other liabilities	4,425,626	415,580	4,841,206	-
Developer deposits	1,434,905	-	1,434,905	-
Customer deposits	116,842	1,059,205	1,176,047	-
Interest payable	562,013	134,163	696,176	-
Arbitrage liability	960,131	205,338	1,165,469	-
Due to primary government	-	-	-	14,011
Due to other governments	268,253	-	268,253	-
Unearned revenue	3,396,665	-	3,396,665	1,019
Noncurrent liabilities:				
Due in one year	17,762,615	1,329,633	19,092,248	-
Due in more than one year	133,578,285	24,272,488	157,850,773	-
Net OPEB liability	92,678,679	10,374,413	103,053,092	-
Net pension liability	36,957,258	3,551,319	40,508,577	-
Total liabilities	306,557,547	45,126,479	351,684,026	27,941
Deferred Inflows of Resources				
Deferred inflows related to pensions	4,243,166	407,737	4,650,903	-
Deferred inflows related to OPEB	15,578,763	1,743,880	17,322,643	-
Deferred inflows related to leases	6,616,587	-	6,616,587	-
Total deferred inflows of resources	26,438,516	2,151,617	28,590,133	-
Net Position				
Net investment in capital assets	311,476,961	159,737,887	471,214,848	1,025,789
Restricted for:				
Use of impact fees	-	3,637,803	3,637,803	-
Debt service	28,250,407	-	28,250,407	-
Capital projects	5,626,933	-	5,626,933	-
Court security and technology	818,960	-	818,960	-
Public safety	10,731,416	-	10,731,416	-
Records preservation	25,069	-	25,069	-
Economic development	20,388,282	-	20,388,282	-
Culture and recreation	101,815	-	101,815	-
Transportation	56,509	-	56,509	-
Unrestricted	(19,023,481)	(5,603,290)	(24,626,771)	620,812
Total net position	358,452,871	157,772,400	516,225,271	1,646,601
Total liabilities, deferred inflows of resources and net position	$ 691,448,934	$ 205,050,496	$ 896,499,430	$ 1,674,542

See Notes to the Financial Statements

City of Grapevine, Texas
Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	$ 33,134,071	$ 365,623	$ 332,155	$ -
Public safety	57,552,666	4,441,048	1,126,492	5,193
Culture and recreation	29,087,988	8,457,922	1,786,491	55,648
Public works	15,907,673	4,150,274	133,954	1,653,071
Transportation	15,003,172	-	2,685,311	-
Economic development	8,907,011	-	-	-
Tourism	27,003,660	13,323,075	-	-
Interest	4,473,085	-	-	-
Total governmental activities	191,069,326	30,737,942	6,064,403	1,713,912
Business-type activities:				
Water and sewer	38,839,404	33,626,805	-	1,431,534
Lake Enterprise	6,935,758	7,145,847	-	-
Total business-type activities	45,775,162	40,772,652	-	1,431,534
Total primary government	$ 236,844,488	$ 71,510,594	$ 6,064,403	$ 3,145,446
Component unit:				
Heritage Foundation	156,540	4,073	159,175	-
Total component unit	$ 156,540	$ 4,073	$ 159,175	$ -
General Revenues:				
Taxes:				
Property				
Franchise				
Hotel occupancy				
Sales				
Mixed beverage				
Unrestricted investment income				
Gain on sale of capital assets				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Heritage Foundation
$ (32,436,293)	$ -	$ (32,436,293)	$ -
(51,979,933)	-	(51,979,933)	-
(18,787,927)	-	(18,787,927)	-
(9,970,374)	-	(9,970,374)	-
(12,317,861)	-	(12,317,861)	-
(8,907,011)	-	(8,907,011)	-
(13,680,585)	-	(13,680,585)	-
(4,473,085)	-	(4,473,085)	-
(152,553,069)	-	(152,553,069)	-
-	(3,781,065)	(3,781,065)	-
-	210,089	210,089	-
-	(3,570,976)	(3,570,976)	-
$ (152,553,069)	$ (3,570,976)	$ (156,124,045)	$ -
-	-	-	6,708
$ -	$ -	$ -	$ 6,708
37,748,365	-	37,748,365	-
6,736,503	-	6,736,503	-
23,512,535	-	23,512,535	-
87,756,671	-	87,756,671	-
2,729,384	-	2,729,384	-
6,954,363	1,458,433	8,412,796	24,528
622,788	266,968	889,756	-
2,121,759	291,554	2,413,313	33,844
2,089,819	(2,089,819)	-	-
170,272,187	(72,864)	170,199,323	58,372
17,719,118	(3,643,840)	14,075,278	65,080
340,733,753	161,416,240	502,149,993	1,581,521
$ 358,452,871	$ 157,772,400	$ 516,225,271	$ 1,646,601

City of Grapevine, Texas
Balance Sheet - Governmental Funds
September 30, 2025

	General	Special Revenue: Hotel Occupancy Tax	Special Revenue: Crime District	Special Revenue: 4B-Economic Development	Special Revenue: 4B-Transit
Assets					
Cash and investments	$ 13,997,572	$ 43,986,807	$ 6,086,931	$ 10,919,095	$ -
Receivables (net of allowances for uncollectibles):					
Accounts	3,367,635	84,914	-	-	-
Taxes	7,909,394	1,596,161	3,606,128	1,076,738	2,604,927
Leases	2,886,674	9,799	-	-	-
Accrued interest	15,464	23	-	-	-
Notes receivable	-	-	-	-	-
Inventory	664,123	1,497	-	-	-
Due from other funds	15,366	-	-	-	-
Due from other governments	92,478	-	44,500	-	-
Prepaid items	297,270	1,100	-	-	-
Deposits	5,420	100,000	-	-	-
Total assets	$ 29,251,396	$ 45,780,301	$ 9,737,559	$ 11,995,833	$ 2,604,927
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 1,699,949	$ 2,647,412	$ 101,375	$ 1,104,033	$ 2,548,418
Retainage payable	-	-	-	-	-
Claims payable	1,039,438	-	-	-	-
Accrued liabilities	2,840,477	407,720	957,168	24,555	-
Due to other governments	268,253	-	-	-	-
Unearned revenue	2,276,457	426,958	-	-	-
Developer deposits	-	-	-	-	-
Customer deposits	116,842	-	-	-	-
Total liabilities	8,241,416	3,482,090	1,058,543	1,128,588	2,548,418
Deferred Inflows of Resources					
Unavailable revenue	948,580	-	17,961	-	-
Lease related	2,720,320	8,898	-	-	-
Total deferred inflows of resources	3,668,900	8,898	17,961	-	-
Fund Balances					
Nonspendable:					
Inventory	664,123	1,497	-	-	-
Prepaid items	297,270	1,100	-	-	-
Deposits	5,420	100,000	-	-	-
Restricted for:					
Debt service	-	-	-	1,402,400	-
Capital projects	-	-	-	-	-
Court security and technology	-	-	-	-	-
Economic development	-	-	-	9,464,845	-
Public safety	-	-	8,661,055	-	-
Records preservation	-	-	-	-	-
Transportation	-	-	-	-	56,509
Culture and recreation	-	-	-	-	-
Committed for:					
Capital projects	-	-	-	-	-
Stormwater drainage operations	-	-	-	-	-
Public arts	-	-	-	-	-
Assigned for:					
Capital projects	-	-	-	-	-
Tourism	-	42,186,716	-	-	-
Culture and recreation	-	-	-	-	-
Public safety	-	-	-	-	-
Unassigned	16,374,267	-	-	-	-
Total fund balances	17,341,080	42,289,313	8,661,055	10,867,245	56,509
Total liabilities, deferred inflows of resources and fund balances	$ 29,251,396	$ 45,780,301	$ 9,737,559	$ 11,995,833	$ 2,604,927

	Debt Service	Capital Projects: TIF #1	Capital Projects: General Facilities and Equipment	Capital Projects: Grant	Nonmajor Governmental Funds	Total Governmental Funds
	$ 6,991,856	$ 13,811,687	$ 13,838,006	$ 215,576	$ 49,025,956	$ 158,873,486
	-	-	678,311	-	262,698	4,393,558
	124,512	-	-	-	-	16,917,860
	-	-	1,069,975	-	2,899,886	6,866,334
	-	-	4,823	-	13,968	34,278
	-	-	3,539,758	-	-	3,539,758
	-	-	-	-	-	665,620
	-	-	-	-	-	15,366
	-	-	3,250,000	3,103,055	377,221	6,867,254
	-	-	-	-	4,455,158	4,753,528
	-	-	-	-	-	105,420
	$ 7,116,368	$ 13,811,687	$ 22,380,873	$ 3,318,631	$ 57,034,887	$ 203,032,462
	$ 27,830	$ 136,351	$ 582,936	$ 2,751,645	$ 759,698	$ 12,359,647
	-	-	888,441	128,749	-	1,017,190
	-	-	-	-	-	1,039,438
	-	-	-	385	195,321	4,425,626
	-	-	-	-	-	268,253
	-	-	8,333	7,894	677,023	3,396,665
	-	-	400,000	-	1,034,905	1,434,905
	-	-	-	-	-	116,842
	27,830	136,351	1,879,710	2,888,673	2,666,947	24,058,566
	122,338	-	-	2,980,375	444,739	4,513,993
	-	-	1,062,660	-	2,824,709	6,616,587
	122,338	-	1,062,660	2,980,375	3,269,448	11,130,580
	-	-	-	-	-	665,620
	-	-	-	-	4,455,158	4,753,528
	-	-	-	-	-	105,420
	6,966,200	-	-	-	19,881,807	28,250,407
	-	2,751,899	1,509,281	-	7,724,990	11,986,170
	-	-	-	-	818,960	818,960
	-	10,923,437	-	-	-	20,388,282
	-	-	-	-	2,070,361	10,731,416
	-	-	-	-	25,069	25,069
	-	-	-	-	-	56,509
	-	-	-	-	101,815	101,815
	-	-	-	-	5,897,919	5,897,919
	-	-	-	-	834,437	834,437
	-	-	-	-	2,185,873	2,185,873
	-	-	17,929,222	-	6,900,802	24,830,024
	-	-	-	-	-	42,186,716
	-	-	-	-	890,186	890,186
	-	-	-	-	11,083	11,083
	-	-	-	(2,550,417)	(699,968)	13,123,882
	6,966,200	13,675,336	19,438,503	(2,550,417)	51,098,492	167,843,316
	$ 7,116,368	$ 13,811,687	$ 22,380,873	$ 3,318,631	$ 57,034,887	$ 203,032,462

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City of Grapevine, Texas
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2025

Total fund balances - governmental funds balance sheet	$ 167,843,316
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital, lease, and subscription assets used in governmental activities are not reported in the funds.	453,488,447
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	4,513,993
Accrued bond interest is not due and payable in the current period and, therefore, is not reported in the funds.	(562,013)
Arbitrage due in connection with unspent bond proceeds is recorded as an arbitrage liability in the statement of net position but does not become a liability in the funds until the due date.	(960,131)
Long-term liabilities (excluding pension and OPEB and the related deferral of outflows and inflows and resources) and deferred loss on bond refunding,reported as deferred outflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds. A summary of these items are as follows:	
Long-term liabilities:	
Due in one year	(17,762,615)
Due in more than one year	(133,578,285)
Deferred outflows of resources:	
Deferred loss on bond refunding	826,291
Included in the items related to long-term liabilities is the recognition of the City's net pension liability. The net position related to pensions includes deferred outflows of resources in the amount of $13,064,762, deferred inflows of resources in the amount of $4,243,166, and the net pension liability of $36,957,258.	(28,135,662)
Included in the items related to long-term liabilities is the recognition of the City's net OPEB liability. The net position related to OPEB includes deferred outflows of resources in the amount of $21,036,972, deferred inflows of resources in the amount of $15,578,763, and the net OPEB liability of $92,678,679.	(87,220,470)
Net position of governmental activities	$ 358,452,871

City of Grapevine, Texas
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025

		Special Revenue			
	General	Hotel Occupancy Tax	Crime District	4B-Economic Development	4B-Transit
Revenues					
Property taxes	$ 15,641,625	$ -	$ -	$ -	$ -
Hotel occupancy taxes	-	23,512,535	-	-	-
Sales taxes	44,072,484	-	21,657,059	6,652,150	15,374,978
Mixed beverage taxes	2,729,384	-	-	-	-
Franchise taxes	6,548,547	-	-	-	-
Licenses and permits	2,231,373	-	-	-	-
Intergovernmental	437,451	-	683,568	-	-
Charges for services	9,835,000	9,885,470	-	-	-
Fines and forfeitures	1,287,234	-	34,754	-	-
Investment income	546,430	1,536,889	550,689	509,050	-
Contributions	52,313	-	-	-	-
Miscellaneous	180,500	82,273	-	399,319	-
Total revenues	83,562,341	35,017,167	22,926,070	7,560,519	15,374,978
Expenditures					
Current:					
General government	20,784,240	-	-	-	-
Public safety	23,816,780	-	25,435,783	-	-
Culture and recreation	18,230,932	-	-	14,696	-
Public works	11,431,159	-	-	-	-
Tourism	-	25,882,404	-	-	-
Economic development	-	-	-	3,990,293	-
Transportation	-	-	-	-	15,003,172
Capital outlay	2,091,274	158,086	165,108	5,556,350	-
Debt service:					
Principal	991,790	34,846	33,155	-	-
Interest	107,399	1,604	152	-	-
Fiscal agent charges	-	-	-	-	-
Total expenditures	77,453,574	26,076,940	25,634,198	9,561,339	15,003,172
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,108,767	8,940,227	(2,708,128)	(2,000,820)	371,806
Other Financing Sources (Uses)					
Transfers in	5,336,667	360,062	2,416,788	-	-
Transfers out	(12,621,869)	(7,371,110)	-	(2,939,132)	(360,062)
Sale of capital assets	66,156	-	-	-	-
Leases issued	18,193	-	-	-	-
Subscriptions issued	1,547,121	-	104,727	-	-
Insurance recoveries	56,658	-	-	-	-
Total other financing sources (uses)	(5,597,074)	(7,011,048)	2,521,515	(2,939,132)	(360,062)
Net Change in Fund Balances	511,693	1,929,179	(186,613)	(4,939,952)	11,744
Fund Balances, Beginning of Year, as previously presented	16,829,387	40,360,134	8,847,668	15,807,197	44,765
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-
Fund Balances, Beginning of Year, as adjusted	16,829,387	40,360,134	8,847,668	15,807,197	44,765
Fund Balances, End of Year	$ 17,341,080	$ 42,289,313	$ 8,661,055	$ 10,867,245	$ 56,509

See Notes to the Financial Statements

	Capital Projects				
Debt Service	TIF #1	General Facilities and Equipment	Grant	Nonmajor Governmental Funds	Total Governmental Funds
$ 12,973,249	$ 1,787,175	$ -	$ -	$ 7,276,219	$ 37,678,268
-	-	-	-	-	23,512,535
-	-	-	-	-	87,756,671
-	-	-	-	-	2,729,384
-	-	-	-	187,956	6,736,503
-	-	-	-	-	2,231,373
-	-	6,185,311	324,757	1,773,962	9,405,049
-	-	4,169,545	-	4,957,645	28,847,660
-	-	-	-	106,485	1,428,473
380,262	544,455	754,458	622	2,131,123	6,953,978
-	-	-	-	167,882	220,195
-	-	306,800	-	47,852	1,016,744
13,353,511	2,331,630	11,416,114	325,379	16,649,124	208,516,833
14,628	114,420	718,797	-	283,937	21,916,022
-	-	-	226,021	2,068,088	51,546,672
-	-	14,703	9,196	5,476,589	23,746,116
-	-	258,631	-	4,200,175	15,889,965
-	-	-	-	-	25,882,404
-	-	-	-	4,885,585	8,875,878
-	-	-	-	-	15,003,172
-	686,772	15,906,135	3,637,490	7,503,252	35,704,467
10,502,250	-	-	-	2,428,186	13,990,227
4,386,127	-	-	-	187,113	4,682,395
620	-	-	-	-	620
14,903,625	801,192	16,898,266	3,872,707	27,032,925	217,237,938
(1,550,114)	1,530,438	(5,482,152)	(3,547,328)	(10,383,801)	(8,721,105)
2,513,055	-	5,728,805	1,003,589	9,204,703	26,563,669
(666,444)	-	-	(175,344)	(339,889)	(24,473,850)
-	-	182,298	-	540,411	788,865
-	-	-	-	-	18,193
-	-	-	-	-	1,651,848
-	-	751,239	-	297,118	1,105,015
1,846,611	-	6,662,342	828,245	9,702,343	5,653,740
296,497	1,530,438	1,180,190	(2,719,083)	(681,458)	(3,067,365)
6,669,703	12,144,898	18,258,313	-	51,948,616	170,910,681
-	-	-	168,666	(168,666)	-
6,669,703	12,144,898	18,258,313	168,666	51,779,950	170,910,681
$ 6,966,200	$ 13,675,336	$ 19,438,503	$ (2,550,417)	$ 51,098,492	$ 167,843,316

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City of Grapevine, Texas
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds	$	(3,067,365)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization. This is the amount of capital outlay recorded in the current period.		35,704,467
Governmental funds do not recognize capital, lease, and subscription assets contributed by other entities. However, in the Statement of Activities, the acquisition cost of those assets is recognized as revenue, then depreciated/amortized over their estimated useful lives.		1,653,071
Depreciation/amortization on capital, lease, and subscription assets is reported in the Statement of Activities but does not require the use of current financial resources. Therefore, depreciation/amortization is not reported as expenditures in the governmental funds.		(19,779,650)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) decrease net position.		(629,495)
The issuance of long-term debt (e.g. bonds, leases, subscription liabilities) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Issuance of leases		(18,193)
Issuance of subscriptions		(1,651,848)
Repayment of principal on long-term debt		12,930,436
Repayment of principal on leases		379,371
Repayment of principal on subscription liabilities		680,420
Amortization of:		
Premium/discount on bond issuances		568,824
Loss on refunding		(142,457)
Interest is accrued in the government-wide financial statements but not at the fund level. This represents the change in the accrual during the period.		70,300
Arbitrage due in connection with unspent bond proceeds in governmental activities is not due and payable and therefore is not reported as expenditures in governmental funds. This is the net change in arbitrage liability.		(286,737)
Current year changes in certain long-term liabilities (do)/do not require the use of current financial resources and, therefore, are/(are not) reported as expenditures in governmental funds.		
Compensated absences liability		584,366
Net OPEB liability and related deferred outflows and inflows of resources		(4,040,662)
Net Pension liability and related deferred outflows and inflows of resources		(406,821)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the net change during the year for these revenue sources.		(4,828,909)
Change in net position of governmental activities	$	17,719,118

City of Grapevine, Texas
Statement of Net Position - Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
Assets			
Current assets			
Cash and cash equivalents	$ 6,679,002	$ 1,651	$ 6,680,653
Receivables, net	3,770,045	6,294	3,776,339
Inventory	-	126,244	126,244
Total current assets	10,449,047	134,189	10,583,236
Noncurrent assets			
Restricted cash and investments:			
Bond construction	19,488,848	-	19,488,848
Impact fees	3,637,803	-	3,637,803
Customer deposits	1,059,205	-	1,059,205
Total restricted cash and investments	24,185,856	-	24,185,856
Capital and lease assets:			
Land	548,132	45,838	593,970
Easements	57,555,464	-	57,555,464
Construction in progress	9,792,851	-	9,792,851
Buildings	577,791	6,622,625	7,200,416
Improvements other than buildings	1,718,784	9,988,217	11,707,001
Infrastructure	156,268,487	-	156,268,487
Vehicles, machinery and equipment	8,077,741	2,598,957	10,676,698
Water storage rights	683,547	-	683,547
Computer software	79,507	-	79,507
Lease equipment	3,195	55,066	58,261
Subscription asset	156,058	-	156,058
Less accumulated depreciation/amortization	(76,214,554)	(11,871,232)	(88,085,786)
Net capital and lease assets	159,247,003	7,439,471	166,686,474
Total noncurrent assets	183,432,859	7,439,471	190,872,330
Total assets	193,881,906	7,573,660	201,455,566
Deferred Outflows of Resources			
Deferred outflows related to pension	911,779	343,648	1,255,427
Deferred outflows related to OPEB	1,873,978	480,891	2,354,869
Total deferred outflows of resources	2,785,757	824,539	3,610,296

City of Grapevine, Texas
Statement of Net Position - Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
Liabilities			
Current liabilities			
Accounts payable	$ 3,079,040	$ 446,750	$ 3,525,790
Accrued liabilities	225,792	189,788	415,580
Due to other funds	-	15,366	15,366
Accrued bond interest payable	134,163	-	134,163
Arbitrage liability	205,338	-	205,338
Retainage payable	258,550	-	258,550
Compensated absences	99,631	90,934	190,565
Bonds payable	1,056,775	-	1,056,775
Lease liability	354	13,801	14,155
Subscription liability	68,138	-	68,138
Customer deposits	1,059,205	-	1,059,205
Total current liabilities	6,186,986	756,639	6,943,625
Noncurrent liabilities			
Bonds payable	24,187,362	-	24,187,362
Lease liability	-	3,454	3,454
Net OPEB liability	8,255,839	2,118,574	10,374,413
Net pension liability	2,579,217	972,102	3,551,319
Compensated absences	42,700	38,972	81,672
Total noncurrent liabilities	35,065,118	3,133,102	38,198,220
Total liabilities	41,252,104	3,889,741	45,141,845
Deferred Inflows of Resources			
Deferred inflows related to pension	296,127	111,610	407,737
Deferred inflows related to OPEB	1,387,760	356,120	1,743,880
Total deferred inflows of resources	1,683,887	467,730	2,151,617
Net Position			
Net investment in capital assets	152,427,880	7,310,007	159,737,887
Restricted for:			
Impact fees	3,637,803	-	3,637,803
Unrestricted	(2,334,011)	(3,269,279)	(5,603,290)
Total net position	$ 153,731,672	$ 4,040,728	$ 157,772,400

See Notes to the Financial Statements

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City of Grapevine, Texas
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
Operating Revenues			
Charges for services	$ 33,626,805	$ 7,145,847	$ 40,772,652
Miscellaneous	280,864	10,690	291,554
Total operating revenues	33,907,669	7,156,537	41,064,206
Operating Expenses			
Salaries and benefits	4,978,934	3,135,566	8,114,500
Water purchases, storage, and treatment	17,001,416	-	17,001,416
Refuse collections	2,910,966	-	2,910,966
Maintenance, repairs, and supplies	3,524,344	1,578,057	5,102,401
General administrative	4,707,284	1,594,064	6,301,348
Depreciation and amortization	4,387,650	628,071	5,015,721
Total operating expenses	37,510,594	6,935,758	44,446,352
Operating Income (Loss)	(3,602,925)	220,779	(3,382,146)
Nonoperating Revenues (Expenses)			
Gain on disposal of property	36,568	230,400	266,968
Investment income	1,457,538	895	1,458,433
Interest and fiscal agent charges	(1,328,810)	-	(1,328,810)
Total nonoperating revenues (expenses)	165,296	231,295	396,591
Income (Loss) Before Capital Contributions and Transfers	(3,437,629)	452,074	(2,985,555)
Capital contributions	1,431,534	-	1,431,534
Transfers in	666,444	-	666,444
Transfers out	(2,566,198)	(190,065)	(2,756,263)
Change in Net Position	(3,905,849)	262,009	(3,643,840)
Net Position, Beginning of Year	157,637,521	3,778,719	161,416,240
Net Position, End of Year	$ 153,731,672	$ 4,040,728	$ 157,772,400

City of Grapevine, Texas
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
Cash Flows From Operating Activities			
Receipts from customers	$ 34,401,946	$ 7,205,541	$ 41,607,487
Payments to employees for salaries and benefits	(4,887,190)	(3,103,380)	(7,990,570)
Payments to suppliers and service providers	(28,449,437)	(3,050,447)	(31,499,884)
Receipts of customer deposits	12,888	-	12,888
Net cash provided by operating activities	1,078,207	1,051,714	2,129,921
Cash Flows from Noncapital Financing Activities			
Transfers in	666,444	-	666,444
Transfers out	(2,566,198)	(190,065)	(2,756,263)
Repayment of advances from other funds	-	(101,851)	(101,851)
Net cash used for noncapital financing activities	(1,899,754)	(291,916)	(2,191,670)
Cash Flows from Capital and Related Financing Activities			
Principal paid on leases and certificates of obligation	(1,041,745)	(13,772)	(1,055,517)
Interest paid and issuance costs related to capital debt	(1,139,795)	-	(1,139,795)
Acquisition and construction of capital assets	(7,478,741)	(975,670)	(8,454,411)
Intergovernmental receipts	54,892	-	54,892
Proceeds from the sale of assets	38,683	230,400	269,083
Net cash used for capital and related financing activities	(9,566,706)	(759,042)	(10,325,748)
Cash Flows from Investing Activities			
Interest received on investments and cash equivalents	1,457,538	895	1,458,433
Net cash provided by investing activities	1,457,538	895	1,458,433
Net Increase (Decrease) in Cash and Cash Equivalents	(8,930,715)	1,651	(8,929,064)
Cash and Cash Equivalents, Beginning of Year, Including Restricted Cash and Investments	39,795,573	-	39,795,573
Cash and Cash Equivalents, Ending of Year, Including Restricted Cash and Investments	$ 30,864,858	$ 1,651	$ 30,866,509

(Including $24,185,856 of restricted cash and cash equivalents in the Water and Sewer Fund)

City of Grapevine, Texas
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds		
	Water and Sewer	Lake Enterprise	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	$ (3,602,925)	$ 220,779	$ (3,382,146)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	4,387,650	628,071	5,015,721
(Increase) decrease in assets:			
Customer receivable	494,276	49,004	543,280
Prepaid items	7,493	-	7,493
Inventories	-	22,966	22,966
Deferred outflows of resources - pension	552,393	208,195	760,588
Deferred outflows of resources - OPEB	(920,272)	(236,156)	(1,156,428)
Increase (decrease) in liabilities:			
Accounts and retainage payable	(576,943)	5,977	(570,966)
Accrued liabilities	5,961	30,519	36,480
Customer deposits	12,888	-	12,888
Net OPEB liability	1,748,561	448,707	2,197,268
Net pension liability	(710,983)	(267,968)	(978,951)
Compensated absences	(38,529)	(8,669)	(47,198)
Deferred inflows of resources - pension	186,982	70,474	257,456
Deferred inflows of resources - OPEB	(468,345)	(120,185)	(588,530)
Total adjustments	4,681,132	830,935	5,512,067
Net cash provided by operating activities	$ 1,078,207	$ 1,051,714	$ 2,129,921
Schedule of Noncash Capital and Related Financing Activities			
Contributions of capital assets	$ 1,338,289	$ -	$ 1,338,289
Contribution of capital assets from governmental activities	93,245	-	93,245
Capital assets included in accounts payable and change in retainage payable	759,672	112,209	871,881
Issuance of leases and subscriptions	156,058	-	156,058
Amortization of bond premium	96,922	-	96,922

City of Grapevine, Texas
Statement of Fiduciary Net Position
September 30, 2025

	(As of December 31, 2024) OPEB Trust Fund	Private-Purpose Trust Fund
Assets		
Cash and cash equivalents	$ -	$ 16,506
Mutual funds - equity	1,817,587	-
Mutual funds - fixed income	1,211,725	-
Total assets	3,029,312	16,506
Net Position		
Restricted for other postemployment benefits	3,029,312	-
Restricted for scholarships	-	16,506
Total net position	$ 3,029,312	$ 16,506

See Notes to the Financial Statements

City of Grapevine, Texas
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2025

	(For the Year Ended December 31, 2024) OPEB Trust Fund	Private-Purpose Trust Fund
Additions		
Contributions		
Employer	$ 2,849,027	$ -
Net investment income	325,994	645
Total additions	3,175,021	645
Deductions		
Benefits payments	2,868,090	-
Administrative expenses	16,862	-
Total deductions	2,884,952	-
Net Increase in Fiduciary Net Position	290,069	645
Net Position, Beginning of Year	2,739,243	15,861
Net Position, End of Year	$ 3,029,312	$ 16,506

See Notes to the Financial Statements

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Notes to the Financial Statements

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Note 1. Summary of Significant Accounting Policies

The City of Grapevine ("City") is a municipal corporation incorporated under Article XI of the Texas Constitution (Home Rule Amendment). The City operates under a Council-Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, safety, and convenience of its citizens.

The accounting and reporting policies of the City relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. The following represents the more significant accounting and reporting policies and practices used by the City.

Reporting Entity

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and are appropriately presented as funds of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the City.

Based on these criteria, the financial information of the following entities has been blended or discretely presented within the financial statements.

Blended Component Units

Grapevine Tax Increment Financing District Reinvestment Zone Number One and Two (the "TIFs") were formed to finance and make public improvements under the authority of the Tax Increment Financing Act. The TIFs are governed by two separate boards of directors that are substantively the same as the City Council. The chairman of the board is also designated by the City Council. The City is obligated for the debts of both TIFs.

The Grapevine Crime Control and Prevention District (Crime District) was established to account for the accumulation and use of sales tax proceeds designated for crime reduction programs. One-half (1/2) cent of local sales and use tax within the district funds the Crime District. The Board of Directors of the Crime Control and Prevention District is substantively the same as the City Council. The City is entitled to and can otherwise access all the resources of the Crime District.

The Grapevine 4B Economic Development Corporation consists of two funds. The 4B Transit Fund accounts for funds designated for Grapevine's participation in the commuter rail development project with the Trinity Metro. The 4B Economic Development Fund accounts for funds used to stimulate the local economy, development, and redevelopment opportunities. One-half (1/2) cent local sales and use tax within the City funds these two blended component units. Three eighths (3/8th) of one cent of the local sales tax is used to fund the 4B Transit Fund. One eighth (1/8th) of one cent of the local sales tax is used to fund the 4B Economic Development Fund. The Board of Directors of the Grapevine 4B Economic Development Corporation include citizens as members but is substantively the same as the City Council. The City is entitled to and can otherwise access all the resources of the Grapevine 4B Economic Development Corporation.

Separate financial statements for the TIF funds, Crime Control and Prevention District, the 4B Transit Fund, and the 4B Economic Development Fund are not prepared.

Discretely Presented Component Unit

Grapevine Heritage Foundation (the "Foundation") is a Texas nonprofit corporation governed by a 9-member board of directors appointed by the City Council, which includes a City Council member and the Director of the City's Convention and Visitor's Bureau. The Foundation's operating budget is subject to the approval of the City Council. The City is able to impose its will on the Foundation. The board is not substantively the same as the City Council. The Foundation does not provide services to the City.

Separate financial statements are not prepared for the Heritage Foundation.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (public safety, culture and recreation, tourism, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The non-major funds are aggregated in a separate column in the fund financial statements. The non-major funds are detailed in the supplementary information section of this report.

The City's fiduciary funds are presented in the fund financial statements by type. Since these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category). Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use lease and subscription assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and subscriptions are reported as other financing sources.

In applying the susceptible to accrual concept to intergovernmental revenue, the legal and contractual requirements of the numerous individual programs are used as guidance. Generally, monies must be expended on a specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. Ad valorem taxes are recognized as revenues in the year for which they are levied. Sales taxes, franchise taxes, hotel occupancy taxes, charges for services and fines are recognized as revenue as earned, when measurable and available. Licenses, permits, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until received. Investment earnings are recorded as earned since they are measurable and available.

All proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water and sewer fund and Lake Enterprise fund (municipal golf course) are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital and lease assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

During operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Governmental Funds

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major governmental funds of the City:

The City reports the following major governmental funds:

The ***General Fund*** accounts for several of the City's primary services (general administration, police administration, fire, public works, libraries, culture, and recreation, etc.) and is the primary operating fund of the City.

The ***Hotel Occupancy Tax Fund*** is a special revenue fund that accounts for all hotel occupancy tax revenues that are restricted by state statute and can only be used on expenditures related to tourism activities. Additional local revenues generated though tourism activities are accumulated in this fund and are assigned for use on expenditures related to tourism.

The ***Crime District Fund*** is a special revenue fund that accounts for the accumulation and use of sales tax restricted for crime reduction programs.

The ***4-B Economic Development Fund*** accounts for the accumulation of sales tax restricted for economic development projects to stimulate the local economy, development, and redevelopment. This fund is designated as a major fund.

The ***4B Transit Fund*** is a special revenue fund that accounts for the accumulation of sales tax restricted to fund the City's participation in the commuter rail development project with the Trinity Metro. This fund is designated as a major fund.

The ***Debt Service Fund*** is used to account for the accumulation of restricted property tax resources levied for the payment of general long-term debt principal, interest, and related costs of governmental funds. This fund is designated as a major fund.

The ***Tax Increment Financing (TIF) #1 Capital Projects Fund*** is used to account for the accumulation of property taxes restricted for capital acquisition and construction, economic incentives, and other expenditures authorized by the TIF #1 Board of Directors. This fund is designated as a major fund.

The ***General Facilities and Equipment Fund*** is a capital projects fund used to account for the general financing, acquisition, construction and improvements of the City's buildings and capital equipment.

The ***Grant Fund*** is a capital projects fund used to account for capital grants awarded to the City that are used for the acquisition and construction of major capital facilities.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses. The following is a description of the major proprietary funds of the City:

The ***Water and Sewer Fund*** accounts for the operation of the City's water and sewer utility activities including administration, operation and maintenance of the water and sewer system, and billing and collection activities. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure integrity of the fund.

The ***Lake Enterprise Fund*** includes the operations of the City's municipal golf course. The fund is designated as a major fund.

Fiduciary Funds

The ***Private-Purpose Trust Fund*** is used to account for investments and interest for the benefit of the W.D. Tate Scholarship fund. The benefits are dedicated to recipients in accordance with the benefit terms. The donations and other contributions received by the City do not belong to the City and cannot be spent to further the City's own objectives.

The ***Other Postemployment Benefit (OPEB) Trust Fund*** is used to report assets held for beneficiaries to fund future postemployment benefits other than pensions. The City utilizes a trust to hold required contributions for OPEBs. Plan trustees must act in accordance with the specific purposes and terms of the OPEB plan. The accompanying statement of fiduciary net position and statement of changes in fiduciary net position are presented as of and for the year ended December 31, 2024, the Plan's year-end, in accordance with GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 74).

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments of the City are reported at fair value, except for the portion in investment pools. The government investment pools, TexPool and LOGIC operate in accordance with state laws and regulations. Investments in external pools are carried at either net asset value or amortized cost, as determined by each pool's individual investment valuation method and whether there is a readily determinable fair value of the pool as of the City's fiscal year end. In instances where pools transact at amortized cost, such as TexPool, no readily determinable fair value is deemed available.

Property Taxes and Other Receivables

The City's property tax is levied each October 1, on the assessed value listed as of the prior January 1 for all real property located in the City. The appraisal of property within the City is the responsibility of the Central Appraisal Districts of Dallas, Denton, and Tarrant Counties as required by legislation passed by the Texas Legislature. The Appraisal Districts are required under such legislation to assess all property within their Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The assessed value upon which the completed tax year 2024 levy was based was approximately $13,218,800,000. The value of property within the Appraisal District must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action.

General property taxes are limited by the Texas Constitution to $2.50 per $100 of assessed valuation. The combined tax rate to finance maintenance and operations and debt service for the year ended September 30, 2025, was $0.241165 per $100 of assessed valuation.

Property taxes attach as an enforceable lien on property as of January 1 following the levy date. Taxes are due by January 31 following the levy date. Property taxes levied for 2025 are recorded as receivables, net of estimated uncollectibles. The collections during 2025 and those considered "available" at year-end are recognized as revenues in 2025 . The City considers property taxes available if they are collected within 60 days after year-end. Prior year levies were recorded using these same principles. The remaining receivables are reflected as deferred inflows of resources in the fund financial statements.

Property taxes are imposed nonexchange revenues. Assets from imposed nonexchange transactions are recorded when the entity has enforceable legal claim to the asset, or when the entity receives resources, whichever comes first. The enforceable legal claim date for property taxes is the assessment date. The assessment date has been designated in the enabling legislation as October 1.

Inventories and Prepaid Items

Inventories are valued at average cost on a first-in, first-out basis. Inventories in the General Fund are recorded using the consumption method (i.e., recorded as an expenditure when used rather than when purchased).

Prepaid items are payments made by the City in the current year to provide services occurring in the subsequent fiscal year. A corresponding portion of fund balance is shown as nonexpendable in governmental funds to indicate it is not available for other subsequent expenditures. Prepaid items are defined as payments of greater than $50,000 that benefit future periods. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

Certain cash and investments balances are restricted by various legal and contractual obligations. Certain proceeds of the City's general obligation bonds and certificates of obligation, impact fees, and customer deposits are, by law, considered restricted assets.

Due from Other Governments

The amount due from other governments represents balances owed to the City from various governmental agencies for reimbursement of eligible expenditures and balances in relation to a contractual agreement with the Fort Worth Transportation Authority for Grapevine's contribution to the construction of the TEXRail project.

Notes Receivable

The notes receivable represents the balance owed to the City from Hotel Vin for initial construction costs paid for by the City which are to be repaid in accordance with an Economic Development Agreement.

Lease Receivable

The City is a lessor for noncancellable leases related to cellular towers, building space, and billboards. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts:

- The City uses the lessee's rate, or the rate disclosed in the agreement. If the rate is not readily available, the City uses its incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Infrastructure assets are defined by the City as assets costing in excess of $50,000 that have an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation has been provided on a straight-line basis over the estimated useful lives of the assets.

The estimated useful lives are as follows:

Capital Assets Class	Years
Buildings	7 – 40
Water and sewer system	30 – 50
General infrastructure	20 – 30
Improvements other than buildings	10 – 20
Machinery and equipment	3 – 15
Water storage rights	40
Other intangibles	3 – 20
Motor vehicles	3 – 10

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred loss on bond refunding – A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Changes in actuarial assumptions and other inputs included in determining the OPEB liability – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Differences between expected and actual economic experience for the City's pension and OPEB plans – These effects on the pension and OPEB liability are deferred and amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees).

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and, therefore, will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources reported in the Statements of Net Position and/or balance sheet are as follows:

- Differences between expected and actual economic experience for the City's OPEB plan – These effects on the OPEB liability are deferred and amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees).
- Changes in actuarial assumptions and other inputs included in determining the pension and OPEB liability – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual investment earnings on pension and OPEB assets – This difference is deferred and amortized over a closed five-year period.
- Leases – Represents the initial value of the lease receivable under GASB 87 systematically reduced and recognized as lease revenue over the term of the lease. This deferred inflow is recorded at both the fund level and government-wide financial statements.
- Unavailable revenue – This arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, court fines and fees, ambulance billing, and intergovernmental revenues.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. The City's policy is that leave earned in the current period is used before leave earned in prior periods. Employees are reimbursed upon termination for accumulated vacation and only non-exempt employees are reimbursed for compensatory time. The liabilities for these amounts are accrued as they are incurred in the government-wide and proprietary fund financial statements. Employees are not reimbursed upon termination for accumulated sick leave. Accrued vacation and compensatory time, that is expected to be liquidated within one year, is reported as a short-term liability. The remainder of the liability is reflected as long-term.

Unearned Revenue

Governmental funds report a liability, unearned revenue, in connection with resources that have been received, but not yet earned, which consists primarily of franchise fees collected in advance for future periods, recreation center fees collected in advance for future reservations and memberships, Grapevine Vintage Railroad fees collected in advance for future reservations, and park and campground fees collected in advance for future reservations.

Long-term Debt

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Lease Liability

The City is a lessee for noncancellable leases of buildings and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life or lease term, whichever is shorter.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital, lease, and subscription assets and lease liabilities are reported with long-term liabilities on the statement of net position.

Subscription Liability

The City contracts for noncancellable subscriptions of information technology software. The City recognizes a subscription liability and an intangible subscription asset (subscription asset) in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of a subscription, the City measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life or subscription term, whichever is shorter.

Key estimates and judgments related to subscriptions include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the subscription-based information technology arrangement (SBITA) vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with capital, lease, and subscription assets and subscription liabilities are reported with long-term liabilities on the statement of net position.

Pensions

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its fiduciary net position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The liability for the pension liabilities are paid from the General Fund, Crime District Fund, and enterprise funds based on the assignment of an employee at termination.

Defined Benefit Other Postemployment Benefit Plan

The City has a single employer defined benefit other postemployment (benefit) OPEB plan (Plan). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. The liability for the OPEB liabilities are paid from the General Fund, Crime District Fund, and enterprise funds based on the assignment of an employee at termination.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources of governmental and business-type activities and proprietary funds. The government-wide and proprietary fund financials utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This amount consists of capital, lease and subscription assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt, that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted Net Position – This amount is restricted by external parties such as creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This amount is the net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned: Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has, by resolution, authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover the gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.
- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

Fund Balance and Net Position Flow Assumptions

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Minimum Fund Balance Policy

The Council has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund. The target level is set at 72 days of general fund current expenditures (approximately 20%). This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the City's management to make estimates and assumptions that effect reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in net position during the reporting period. Actual results may differ from those estimates.

Adoption of New Accounting Standards

The City adopted GASB Statement No. 101, *Compensated Absences* (GASB 101) for the year ended September 30, 2025. The new accounting guidance updates the recognition and measurement guidance for compensated absences under a unified model. Specifically, the new standard clarifies that a liability should be recorded for compensated absences that are more likely than not to be paid or otherwise settled. Additionally, it amends certain existing disclosure requirements. The adoption of GASB 101 had no impact on the City's beginning of year net position.

The City adopted GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102) for the year ended September 30, 2025. The new accounting guidance requires governments to disclose information about certain concentrations or constraints that could affect services provided or the ability to meet obligations as they come due. The adoption of GASB 102 had no impact on the City's beginning of year net position.

Future Financial Reporting Requirements

The GASB has issued the following potentially significant statements which the City has not yet adopted, and which require adoption subsequent to September 30, 2025. The City will evaluate the potential impact on the City's net position.

Statement No.	Title	Adoption Required
103	*Financial Reporting Model Improvements*	September 30, 2026
104	*Disclosure of Certain Capital Assets*	September 30, 2026
105	*Subsequent Events*	September 30, 2027

Note 2. Cash and Investments

The City utilizes a pooled cash and investment concept for all its funds, to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

As of September 30, 2025, the City had the following cash and investments:

	September 30, 2025	Percent of Total Portfolio	Weighted Average Maturity (Days)
Primary Government			
Cash and cash equivalents:			
Cash deposits – City	$ 55,081,453	28%	
Certificates of deposit	41,149,315	21%	152
Total cash and cash equivalents	96,230,768		
Investment Pools:			
TexPool	34,273,647	18%	1
LOGIC	59,235,580	31%	1
Total investment pools	93,509,227		
Total cash and investments of the primary government	$ 189,739,995		
Portfolio weighted average maturity (days)			52
Discretely Presented Component Unit			
Cash deposits	$ 648,753		
Fiduciary Funds			
OPEB Trust Fund	$ 3,029,312		
Private Purpose Trust Fund	16,506		
Total cash and investments of fiduciary funds	$ 3,045,818		
Total cash and investments of the reporting entity	$ 193,434,566		

Reconciliation to the Basic Financial Statements. The cash and investments as of September 30, 2025, are reported in the financial statements as follows:

Government-wide Statement of Net Position:	
Governmental activities	$ 158,873,486
Business-type activities	30,866,509
Discretely presented component unit	648,753
Fiduciary Funds Statement of Net Position:	
OPEB Trust Fund	3,029,312
Private Purpose Trust Fund	16,506
Total cash and investments	$ 193,434,566

Investment Pools

During the year, the City invested in multiple public fund investment pools, including LOGIC and TexPool.

TexPool was created to invest funds on behalf of Texas political subdivisions. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operation, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool uses amortized cost rather than the fair value to report net position to compute share prices. TexPool allows for same day or next day redemptions and deposits. As of September 30, 2025, TexPool's portfolio maintained a weighted average maturity of approximately 42 days.

Hilltop Securities, Inc. (HTS) and JPMorgan Investment Management, Inc. (JPMIM) serve as co-administrators for LOGIC under an agreement with its Board of Trustees and Board of Directors, respectively. HTS provides distribution, administrative, participant support and marketing services. JPMIM provides investment management, custody, and fund accounting services. JPMorgan Chase Bank, N.A. serves as custodian for LOGIC.

LOGIC and TexPool are not registered with the Securities and Exchange Commission (SEC) as investment companies. LOGIC and TexPool are investment pools that have been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code.

The government investment pool TexPool is carried at amortized cost. LOGIC is carried at net asset value.

Interest Rate Risk – In accordance with its investment policy, the City minimizes the risk that the interest earnings and the fair value of investments in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
- Investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
- Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Credit Risk – In accordance with its investment policy, the City minimizes credit risk, the risk of loss due to the failure of the issuer or backer of the investment by:

- Limiting investments to the safest types of investments.
- Pre-qualifying the financial institutions and broker/dealers with which the City will do business.
- Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Concentration of Credit Risk – The City's investment policy allows up to 100% to be invested in U. S. Treasury Bills/Notes/Bonds, and U. S. Agencies and Instrumentalities.

Custodial Credit Risk – State statutes require that all City deposits in financial institutions be fully collateralized by U. S. Government obligations or obligations of the State of Texas or its agencies. The City's deposits were fully collateralized by government securities as required by State statutes as of September 30, 2025.

OPEB Trust Fund Investments – The City has contracted with Public Agency Retirement Services (PARS) for trust administration and Union Bank serves as the trustee for all investments of the OPEB Trust Fund. PARS provides its participants a range of investment strategies, and the City has selected the PARS Balanced HighMark Plus Portfolio. The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay present and future obligations to the Plan.

The Balanced Portfolio's goal is to provide growth of both principal and income. The Plan's underlying investments are allocated between equity and fixed income securities. The OPEB Plan does not have a formal policy for custodial credit risk. As of December 31, 2024, all investments are registered in the name of the OPEB Plan's custodian established through a master trust custodial agreement. The OPEB Trust Fund investments are carried at fair value of $3,029,312 as of December 31, 2024. The investment in master trust is classified in Level 3 of the fair value hierarchy using quoted market prices of the mutual funds owned by the trust, allocated among members. The Trust's funds are invested in a mutual fund that is invested in equity and fixed income mutual funds. The investment strategy of the OPEB Trust Fund is to provide current income with capital appreciation. The credit rating and weighted average maturity is not available for the pool.

Fair Value of Assets – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
Level 3	Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair hierarchy in which the fair value measurements fall at September 30, 2025:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Investment in Master Trust – OPEB	$ 3,029,312	$ -	$ -	$ 3,029,312
Total investments by fair value level	3,029,312	-	-	3,029,312
Investments Measured at Net Asset Value – LOGIC	59,235,580			
Investments Measured at Amortized Cost – TexPool	34,273,647			
Non-negotiable Certificates of Deposit – Amortized Cost	36,130,183			
Total investments	$ 132,668,722			

Certain investments that are measured using the net asset value per share (or its equivalent) practical expedient or amortized cost have not been classified in the fair value hierarchy. The fair value amounts included above approximate net asset value for the applicable external investment pool balances. Additionally, the City has investments in an investment pool and certificates of deposit, as listed above, which are recorded at amortized cost and excluded from the fair value hierarchy.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. Investment in Master Trust is classified as Level 3 as there is limited trade information. These securities are priced using the last trade price.

Note 3. Receivables

Receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Hotel Occupancy Fund	Crime District Fund	4B - Economic Development Fund	4B - Transit Fund	Debt Service Fund	General Facilities and Equipment Fund	Grant Fund	Non-Major Governmental Funds	Water and Sewer Fund	Lake Enterprise Fund
Receivables:											
Ad valorem	$ 351,173	$ -	$ -	$ -	$ -	$ 406,055	$ -	$ -	$ -	$ -	$ -
Sales taxes	7,798,374	-	3,606,128	1,076,738	2,604,927	-	-	-	-	-	-
Hotel and motel taxes	-	1,596,161	-	-	-	-	-	-	-	-	-
Court fines	634,096	-	-	-	-	-	-	-	-	-	-
Charges for services	2,445,126	-	-	-	-	-	-	-	-	-	-
Leases	2,886,674	9,799	-	-	-	-	1,069,975	-	2,899,886	3,868,961	6,294
Interest	15,464	23	-	-	-	-	4,823	-	13,968	-	-
Notes	-	-	-	-	-	-	3,539,758	-	-	-	-
Due from other governments	92,478	-	44,500	-	-	-	3,250,000	3,103,055	377,221	-	-
Other	2,330,967	99,902	-	-	-	-	678,311	-	262,698	-	-
Gross receivables	16,554,352	1,705,885	3,650,628	1,076,738	2,604,927	406,055	8,542,867	3,103,055	3,553,773	3,868,961	6,294
Less: allowance for doubtful accounts	(2,282,707)	(14,988)	-	-	-	(281,543)	-	-	-	(98,916)	-
Net receivables	$ 14,271,645	$ 1,690,897	$ 3,650,628	$ 1,076,738	$ 2,604,927	$ 124,512	$ 8,542,867	$ 3,103,055	$ 3,553,773	$ 3,770,045	$ 6,294

Based on the payment schedule for notes receivables and due from other governments, the balances are not expected to be collected within the next year.

Note 4. Lease Receivable

The City leases a portion of its property to various cell phone companies and businesses who use the space to conduct their operations, the terms of which expire 2026 through 2043. The measurement of the lease receivable is based on the present value of lease payments expected to be received during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

The City recognized $981,682 in lease revenue and $128,863 in interest revenue during the current fiscal year related to these leases. Lease revenues are reported within charges for services in the accompanying statement of revenues, expenditures, and changes in fund balances. As of September 30, 2025, the City's receivable for lease payments was $6,866,334, in addition to lease interest receivable of $34,278. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of September 30, 2025, the balance of the deferred inflow of resources was $6,616,587.

The following is a schedule by year of minimum payments to be received under the City's leases that are included in the measurement of the lease receivable as of September 30, 2025:

Year Ending September 30,	Governmental Activities Principal	Interest	Total
2026	$ 955,171	$ 135,421	$ 1,090,592
2027	994,074	115,355	1,109,429
2028	957,250	94,353	1,051,603
2029	997,522	72,924	1,070,446
2030	642,569	53,084	695,653
2031-2035	1,668,450	154,089	1,822,539
2036-2040	457,105	59,094	516,199
2041-2043	194,193	10,540	204,733
Total	$ 6,866,334	$ 694,860	$ 7,561,194

Note 5. Capital, Lease, and Subscription Assets

Capital, lease, and subscription asset activity for the year ended September 30, 2025, was as follows:

Primary Government	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	$ 36,782,765	$ 5,004,413	$ -	$ -	$ 41,787,178
Right of way	79,562,729	-	-	-	79,562,729
Construction in progress	16,099,159	22,564,014	(240,587)	(13,496,233)	24,926,353
Total capital assets not being depreciated	132,444,653	27,568,427	(240,587)	(13,496,233)	146,276,260
Capital, lease, and subscription assets being depreciated/amortized:					
Buildings	240,382,962	-	(1,534,112)	1,003,288	239,852,138
Improvements other than buildings	68,850,250	49,650	(103,388)	9,176,710	77,973,222
Machinery and equipment	55,505,513	7,323,239	(2,717,917)	137,739	60,248,574
Computer software	809,731	-	-	-	809,731
Infrastructure	162,377,531	485,455	-	3,085,251	165,948,237
Lease building	170,611	-	-	-	170,611
Lease equipment	3,563,140	18,193	-	-	3,581,333
Subscription assets	1,047,584	1,912,574	(206,565)	-	2,753,593
Totals capital, lease, and subscription assets being depreciated/amortized	532,707,322	9,789,111	(4,561,982)	13,402,988	551,337,439
Less accumulated depreciation/amortization for:					
Buildings	(52,313,911)	(6,033,088)	1,356,058	-	(56,990,941)
Improvements other than buildings	(34,812,987)	(3,446,536)	103,388	-	(38,156,135)
Machinery and equipment	(34,960,224)	(3,692,195)	2,625,737	-	(36,026,682)
Computer software	(168,320)	(112,126)	-	-	(280,446)
Infrastructure	(105,250,036)	(5,560,805)	-	-	(110,810,841)
Lease building	(85,305)	(34,122)	-	-	(119,427)
Lease equipment	(146,023)	(382,690)	-	-	(528,713)
Subscription assets	(875,115)	(518,088)	181,136	-	(1,212,067)
Total accumulated depreciation/amortization	(228,611,921)	(19,779,650)	4,266,319	-	(244,125,252)
Total capital, lease, and subscription assets, being depreciated/amortized, net	304,095,401	(9,990,539)	(295,663)	13,402,988	307,212,187
Governmental activities capital, lease, and subscription assets, net	$ 436,540,054	$ 17,577,888	$ (536,250)	$ (93,245)	$ 453,488,447

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type Activities					
Capital assets not being depreciated:					
Land	$ 593,970	$ -	$ -	$ -	$ 593,970
Easements	57,555,464	-	-	-	57,555,464
Construction in progress	8,291,064	6,739,378	-	(5,237,591)	9,792,851
Total capital assets not being depreciated	66,440,498	6,739,378	-	(5,237,591)	67,942,285
Capital, lease, and subscription assets being depreciated/amortized:					
Buildings	7,200,416	-	-	-	7,200,416
Improvements other than buildings	10,291,453	65,861	-	1,349,687	11,707,001
Machinery and equipment	9,241,319	1,726,138	(596,750)	305,991	10,676,698
Water storage rights	683,547	-	-	-	683,547
Computer software	79,507	-	-	-	79,507
Infrastructure	151,309,932	1,283,397	-	3,675,158	156,268,487
Lease equipment	74,192	-	(15,931)	-	58,261
Subscription assets	-	156,058	-	-	156,058
Totals capital, lease, and subscription assets being depreciated/amortized	178,880,366	3,231,454	(612,681)	5,330,836	186,829,975
Less accumulated depreciation/amortization for:					
Buildings	(2,289,317)	(149,065)	-	-	(2,438,382)
Improvements other than buildings	(8,387,178)	(178,714)	-	-	(8,565,892)
Machinery and equipment	(4,575,851)	(904,024)	594,665	-	(4,885,210)
Water storage rights	(683,547)	-	-	-	(683,547)
Computer software	(43,266)	(13,149)	-	-	(56,415)
Infrastructure	(67,659,337)	(3,692,387)	-	-	(71,351,724)
Lease equipment	(42,135)	(14,468)	15,901	-	(40,702)
Subscription assets	-	(63,914)	-	-	(63,914)
Total accumulated depreciation/amortization	(83,680,631)	(5,015,721)	610,566	-	(88,085,786)
Total capital, lease, and subscription assets, being depreciated/amortized, net	95,199,735	(1,784,267)	(2,115)	5,330,836	98,744,189
Business-type activities capital, lease, and subscription assets, net	$ 161,640,233	$ 4,955,111	$ (2,115)	$ 93,245	$ 166,686,474

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 3,989,860
Public safety	3,413,111
Public works	6,745,313
Culture and recreation	4,857,014
Tourism	774,352
Total depreciation and amortization expense – governmental activities	$ 19,779,650
Business-type activities:	
Water and sewer	$ 4,387,650
Lake Enterprise	628,071
Total depreciation and amortization expense – business-type activities	$ 5,015,721

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Discretely Presented Component Unit					
Capital assets not being depreciated:					
Land	$ 450,067	$ -	$ -	$ -	$ 450,067
Total capital assets not being depreciated	450,067	-	-	-	450,067
Capital assets being depreciated:					
Buildings	1,031,174	-	-	-	1,031,174
Improvements other than buildings	998,902	-	-	-	998,902
Vehicles and equipment	31,275	-	-	-	31,275
Total capital assets being depreciated	2,061,351	-	-	-	2,061,351
Less accumulated depreciation:					
Buildings	(476,648)	(26,419)	-	-	(503,067)
Improvements other than buildings	(948,074)	(3,213)	-	-	(951,287)
Vehicles and equipment	(31,275)	-	-	-	(31,275)
Total accumulated depreciation	(1,455,997)	(29,632)	-	-	(1,485,629)
Total capital assets being depreciated, net	605,354	(29,632)	-	-	575,722
Discretely presented component unit capital assets, net	$ 1,055,421	$ (29,632)	$ -	$ -	$ 1,025,789

Construction Commitments

The City has active construction commitments as of September 30, 2025, related to the following projects:

Project	Commitment
City building improvements	$ 1,505,698
Streets and drainage projects	1,928,121
Water and wastewater treatment plant projects	26,560,136
Water and wastewater projects	2,351,499
Parks projects	4,351,787
Total	$ 36,697,241

The commitments for City building improvements, streets, parks and drainage construction will be funded from unexpended general obligation and certificates of obligation bond proceeds. Water and wastewater projects will be funded from unexpended certificates of obligation and revenue bond proceeds and operations.

Note 6. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2025, is as follows:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Lake Enterprise Fund	$ 15,366

Interfund balances for all the funds are created by short-term deficiencies in cash position in the individual fund. It is anticipated that the balances will be repaid in one year or less.

Interfund Transfers

A summary of interfund transfers by fund type is as follows:

	Transfers in								
Transfers out	General Fund	Hotel Occupancy Fund	Crime District Fund	Debt Service Fund	General Facilities and Equipment Fund	Grant Fund	Non-Major Governmental Funds	Water and Sewer Fund	Total Transfers Out
General Fund	$ -	$ -	$ 2,416,788	$ -	$ 1,000,378	$ -	$ 9,204,703	$ -	$ 12,621,869
Hotel Occupancy Fund	1,976,128	-	-	666,555	4,728,427	-	-	-	7,371,110
Debt Service Fund	-	-	-	-	-	-	-	666,444	666,444
4B - Economic Development Fund	537,090	-	-	1,398,453	-	1,003,589	-	-	2,939,132
4B - Transit Fund	-	360,062	-	-	-	-	-	-	360,062
Grant Fund	175,344	-	-	-	-	-	-	-	175,344
Nonmajor Governmental	117,074	-	-	222,815	-	-	-	-	339,889
Water and Sewer Fund	2,340,966	-	-	225,232	-	-	-	-	2,566,198
Lake Enterprise	190,065	-	-	-	-	-	-	-	190,065
Total transfers in	$ 5,336,667	$ 360,062	$ 2,416,788	$ 2,513,055	$ 5,728,805	$ 1,003,589	$ 9,204,703	$ 666,444	$ 27,230,113

Interfund transfers are primarily made by the City for the following reasons:

- Transfers to the General Fund from other funds consist of funding for various capital projects, economic development, and fund various programs accounted for in other funds.
- Transfers to the Hotel Occupancy Fund consist of funding for shuttle services.
- Transfers to the CCPD Fund represent amounts estimated to be required to cover the variance between CCPD requirements and CCPD sales tax collections.
- Transfers to the Debt Service Fund were required to pay for self-supporting debt associated with the 4B Fund and the CVB Fund, as well as amount from the Nonmajor Governmental fund and the Water and Sewer fund for debt service payments.
- Transfers to the General Facilities and Equipment Fund represent amounts required to cover excess costs associated with Convention & Visitors Bureau capital improvements and general government.
- Non-major Governmental Funds transfers in consist of amounts for fleet replacement, IT infrastructure, Quality of Life projects, and Parks, Facilities, and Street maintenance requirements.
- Transfers to the Water and Sewer Fund were for debt service payments.

Note 7. Deferred Inflows of Resources

As of September 30, 2025, deferred inflows of resources reported in the governmental funds for unavailable revenues and leases are as follows:

	General Fund	Hotel Occupancy Tax Fund	Crime District Fund	Debt Service Fund	General Facilities and Equipment Fund	Grant Fund	Nonmajor Governmental Funds	Total
Property taxes	$ 101,680	$ -	$ -	$ 122,338	$ -	$ -	$ -	$ 224,018
Court fines and fees	158,524	-	-	-	-	-	-	158,524
Ambulance billing	629,061	-	-	-	-	-	-	629,061
Intergovernmental	-	-	-	-	-	2,980,375	444,739	3,425,114
Leases	2,720,320	8,898	-	-	1,062,660	-	2,824,709	6,616,587
Other	59,315	-	17,961	-	-	-	-	77,276
Total	$ 3,668,900	$ 8,898	$ 17,961	$ 122,338	$ 1,062,660	$ 2,980,375	$ 3,269,448	$ 11,130,580

Note 8. Lease Liabilities

The City leases property and equipment from various third parties to conduct its operations, the terms of which expire 2026 through 2033. The measurement of the lease payables is based on the present value of lease payments expected to be paid during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee.

As of September 30, 2025, the value of the lease liabilities was $2,890,100. Incremental borrowing rates of 0.2130 percent to 2.660 percent were used to measure lease liabilities. The value of the right-to-use assets as of the end of the current fiscal year was $3,810,205 and had accumulated amortization of $688,842.

The future principal and interest payments for lease liabilities as of September 30, 2025, are as follows:

	Governmental Activities		
Year Ending September 30,	Principal	Interest	Total Requirements
2026	$ 373,629	$ 75,457	$ 449,086
2027	351,059	66,068	417,127
2028	334,891	57,132	392,023
2029	343,799	48,223	392,022
2030	352,944	39,078	392,022
2031-2033	1,116,169	59,900	1,176,069
Total	$ 2,872,491	$ 345,858	$ 3,218,349

	Business-type Activities		
Year Ending September 30,	Principal	Interest	Total Requirements
2026	$ 14,155	$ 24	$ 14,179
2027	3,454	1	3,455
Total	$ 17,609	$ 25	$ 17,634

Note 9. Subscription Liabilities

The City has subscription IT arrangements to conduct its operations, the terms of which expire 2026 through 2029. The measurement of the subscription liabilities is based on the present value of subscription payments expected to be paid during the subscription term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any subscription incentives payable.

As of September 30, 2025, the value of the subscription liabilities was $1,123,844. An incremental borrowing rate of 2.3120 percent to 3.2380 percent was used to measure subscription liabilities. The value of the right-to-use subscription assets as of September 30, 2025, was $2,909,651 and had accumulated amortization of $1,275,981.

The future principal and interest payments for subscription liabilities as of September 30, 2025, are as follows:

	Governmental Activities		
Year Ending September 30,	Principal	Interest	Total Requirements
2026	$ 696,370	$ 27,219	$ 723,589
2027	323,000	8,770	331,770
2028	33,948	876	34,824
2029	2,388	9	2,397
Total	$ 1,055,706	$ 36,874	$ 1,092,580

Year Ending September 30,	Business-Type Activities Principal	Interest	Total Requirements
2026	$ 68,138	$ 1,641	$ 69,779
Total	$ 68,138	$ 1,641	$ 69,779

Note 10. Long-Term Liabilities

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 20-year serial bonds with principal maturing each year.

A summary of the terms of general obligation bonds outstanding and their corresponding allocations to the governmental and business-type activities as of September 30, 2025, follows:

General Obligation Bonds	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2015 General Obligation Refunding Bonds	02/26/2015	$ 14,695,000	3.000%	02/15/2026	$ 270,000
2017 General Obligation Refunding Bonds	02/21/2017	1,365,000	2.000% - 3.000%	02/15/2027	305,000
2019 General Obligation Refunding and Improvement Bonds	07/09/2019	28,860,000	3.000% - 4.000%	02/15/2039	19,810,000
2021 General Obligation Refunding Bonds	09/02/2021	44,945,000	1.000% - 2.000%	02/15/2033	35,705,000
Total general obligation bonds outstanding					$ 56,090,000

Annual debt service requirements for general obligation bonds are as follows:

Year Ending September 30,	Governmental Activities Principal	Interest	Total Requirements
2026	$ 6,080,000	$ 1,103,986	$ 7,183,986
2027	5,955,000	987,355	6,942,355
2028	5,955,000	877,026	6,832,026
2029	6,115,000	761,013	6,876,013
2030	5,755,000	643,918	6,398,918
2031 - 2035	20,435,000	1,686,421	22,121,421
2036 - 2039	5,795,000	353,925	6,148,925
Total	$ 56,090,000	$ 6,413,644	$ 62,503,644

Certificates of Obligation

The City also issues certificates of obligation to finance the acquisition and construction of capital assets including certain capital improvement projects, municipal facilities, and machinery and equipment.

The City had the following certificates of obligation outstanding as of September 30, 2025:

Certificates of Obligation	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental Activities:					
2015 Combination Tax and Revenue Certificates of Obligation	2/26/2015	$ 2,000,000	3.000% - 4.500%	2/15/2035	$ 715,000
2017 Combination Tax and Revenue Certificates of Obligation	2/21/2017	9,535,000	3.000% - 5.000%	2/15/2037	5,965,000
2018 Combination Tax and Revenue Certificates of Obligation	5/15/2018	32,310,000	3.000% - 5.000%	2/15/2038	25,430,000
2021 Combination Tax and Revenue Certificates of Obligation	9/02/2021	10,220,000	2.000% - 4.000%	2/15/2041	8,675,000
2022 Combination Tax and Revenue Certificates of Obligation	12/21/2022	13,510,000	4.000% - 5.000%	2/15/2042	11,790,000
2024 Combination Tax and Revenue Certificates of Obligation	6/18/2024	15,717,975	4.000% - 5.000%	2/15/2044	15,285,725
					$ 67,860,725
Business-type Activities:					
2015 Combination Tax and Revenue Certificates of Obligation	2/26/2015	$ 9,720,000	3.000% - 4.500%	2/15/2035	$ 5,640,000
2024 Combination Tax and Revenue Certificates of Obligation	6/18/2024	18,827,025	4.000% - 5.000%	2/15/2044	18,309,275
					$ 23,949,275
Total certificates of obligation outstanding					$ 91,810,000

Annual debt service requirements to maturity for certificates of obligation of the primary government are as follows:

Year Ending September 30,	Governmental Activities Principal	Governmental Activities Interest	Governmental Activities Total Requirements	Business-type Activities Principal	Business-type Activities Interest	Business-type Activities Total Requirements
2026	$ 3,788,225	$ 2,512,792	$ 6,301,017	$ 1,056,775	$ 1,027,102	$ 2,083,877
2027	3,965,525	2,333,037	6,298,562	1,089,475	979,195	2,068,670
2028	4,135,550	2,147,010	6,282,560	1,159,450	927,772	2,087,222
2029	4,175,125	1,966,549	6,141,674	1,234,875	872,439	2,107,314
2030	4,289,700	1,802,647	6,092,347	1,355,300	811,272	2,166,572
2031 - 2035	23,556,275	6,558,226	30,114,501	7,308,725	3,153,842	10,462,567
2036 - 2040	17,862,725	2,482,990	20,345,715	5,447,275	1,713,126	7,160,401
2041 - 2044	6,087,600	410,103	6,497,703	5,297,400	434,147	5,731,547
Total	$ 67,860,725	$ 20,213,354	$ 88,074,079	$ 23,949,275	$ 9,918,895	$ 33,868,170

Contractual Obligations

The City has issued contractual obligations to finance the acquisition of certain capital equipment. These obligations are issued pursuant to the Constitution of the State of Texas, including particularly Subchapter A of Chapter 271, Texas Local Government Code (the Public Property Finance Act), and constitute direct obligations of the City of Grapevine, Texas, payable from a continuing ad valorem tax levied on all taxable property within the City.

The City had the following Public Property Finance ("PPF") contractual obligations outstanding as of September 30, 2025:

Contractual Obligations	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2015 Public Property Finance Contractual Obligations	12/30/2015	$ 3,070,000	4.000%	2/15/2026	$ 75,000
2018 Public Property Finance Contractual Obligations	3/6/2018	2,500,000	3.950%	3/01/2028	853,590
Total contractual obligations outstanding					$ 928,590

Contractual obligation debt service requirements to maturity are as follows:

	Governmental Activities			Governmental Activities		
	Publicly Sold			Private Placement		
Year Ending September 30,	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2026	$ 75,000	$ 1,500	$ 76,500	$ 273,582	$ 33,717	$ 307,299
2027	-	-	-	284,388	22,910	307,298
2028	-	.	-	295,620	11,677	307,297
Total	$ 75,000	$ 1,500	$ 76,500	$ 853,590	$ 68,304	$ 921,894

Revenue Bonds

On May 15, 2018, the City issued Sales Tax Revenue Refunding Bonds, Series 2018, to refund the existing Sales Tax Revenue Bonds, Series 2014. The Sales Tax Revenue Refunding Bonds, Series 2018, were issued by the Grapevine 4B Economic Development Corporation, a blended component unit of the City, pursuant to Chapters 501, 502, and 505, Texas Local Government Code. These bonds are special obligations of the City, payable from a secured lien on and pledge of certain pledged revenues which include the proceeds of ¼ of the ½ cent sales and use tax levied within the City for the benefit of the Grapevine 4B Economic Development Corporation.

As of September 30, 2025, the remaining balances for principal and interest on the debt are $10,615,000 and $1,968,631, respectively. Annual debt service requirements through February 15, 2034, do not exceed $1,500,000 per year and are paid out of the debt service fund through a transfer of principal and interest expense from the Grapevine 4B Economic Development Corporation. Sales tax revenue collections in the 4B-Economic Development Fund were $6,652,150 for the year ended September 30, 2025.

The following is a summary of pledged revenues of the 4B-Economic Development Fund for the year ended September 30, 2025:

Revenue Pledged	Total Pledged Revenue	Current Year Debt Service Payments	Percentage Portion of Pledged Revenue Stream	Remaining Principal and Interest	Period Revenue will not be Available for Other Purposes
.25% Sales and Use Tax	$ 6,652,150	$ 1,396,569	21%	$ 12,583,633	Until 2034

A reserve fund is required to be maintained as security for the payment of the sales tax revenue refunding bonds. The reserve fund is required to be funded in an amount equal to the maximum annual principal and interest required for the bonds. The reserve is currently funded at $1,402,400, which meets the reserve requirements.

On June 6, 2000, the City issued Combination Tax and Tax Increment Revenue Certificates of Obligation, Series 2000. These bonds were subsequently refunded with Combination Tax and Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2005A, and with Combination Tax and Tax Increment Reinvestment Zone Revenue Refunding Bonds, Series 2015A.

The Combination Tax and Tax Increment Reinvestment Zone #2 Revenue Refunding Bonds, Series 2015A, were issued pursuant to the Constitution and the general laws of the State of Texas, including particularly, Chapter 1207, Texas Government Code and Section 9.26 of the City's Home Rule Charter, and are direct obligations of the City, payable from a combination of the levy and collection of a continuing ad valorem tax levied on all taxable property within the City and a subordinate lien on an pledge of the tax increments deposited in the tax increment fund established for TIF #2.

As of September 30, 2025, the remaining principal and interest on the bonds was $2,230,000 and $78,050, respectively. Principal and interest payments for the fiscal year were $2,165,000 and $143,000. Tax increment revenues for TIF #2 for the current year were $7,276,219. The outstanding revenue bonds have a final maturity of August 15, 2026.

Revenue Pledged	Total Pledged Revenue	Current Year Debt Service Payments	Percentage Portion of Pledged Revenue Stream	Remaining Principal and Interest	Period Revenue will not be Available for Other Purposes
Ad Valorem Tax	$ 7,276,219	$ 2,308,000	32%	$ 2,308,050	Until 2026

A summary of the terms of the revenue bonds outstanding for the governmental activities as of September 30, 2025, is as follows:

Revenue Bonds	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding
Governmental activities:					
2015 A Combination Tax and TIRZ #2 Revenue Refunding Bonds	2/26/2015	$ 20,565,000	3.000% - 3.500%	8/15/2026	$ 2,230,000
2018 Sales Tax Revenue Refunding Bonds	5/15/2018	16,930,000	3.000% - 4.000%	2/15/2034	10,615,000
Total revenue bonds outstanding					$ 12,845,000

Annual debt service requirements for the revenue bonds are as follows:

Year Ending September 30,	Governmental Activities Principal	Interest	Total Requirements
2026	$ 3,245,000	$ 459,619	$ 3,704,619
2027	1,050,000	348,013	1,398,013
2028	1,085,000	311,963	1,396,963
2029	1,125,000	273,288	1,398,288
2030	1,170,000	230,200	1,400,200
2031 - 2034	5,170,000	423,600	5,593,600
Total	$ 12,845,000	$ 2,046,683	$ 14,891,683

The following is a summary of long-term liability transactions, excluding net pension and other postemployment benefit liabilities, of the City for the year ended September 30, 2025 :

	Beginning Balance	Increases	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
General obligation bonds	$ 61,985,000	$ -	$ (5,895,000)	$ 56,090,000	$ 6,080,000
Certificates of obligation	71,412,975	-	(3,552,250)	67,860,725	3,788,225
Contractual obligations	145,000	-	(70,000)	75,000	75,000
Contractual obligations – private placement	1,116,776	-	(263,186)	853,590	273,582
Revenue bonds	15,995,000	-	(3,150,000)	12,845,000	3,245,000
Premium on bond issues	5,663,827	-	(571,276)	5,092,551	-
Discount on bond issues	(22,056)	-	2,452	(19,604)	-
Lease liabilities	3,233,669	18,193	(379,371)	2,872,491	373,629
Subscription liabilities	84,278	1,651,848	(680,420)	1,055,706	696,370
Total bonds, notes payable, lease and subscription liabilities	159,614,469	1,670,041	(14,559,051)	146,725,459	14,531,806
Compensated absences *	5,199,807	-	(584,366)	4,615,441	3,230,809
Total governmental activities long-term liabilities	$ 164,814,276	$ 1,670,041	$ (15,143,417)	$ 151,340,900	$ 17,762,615

* Changes in compensated absences are reflected net.

	Beginning Balance	Increases	Reductions	Ending Balance	Due Within One Year
Business-type Activities:					
Water and sewer obligations:					
Certificates of obligation	$ 24,927,025	$ -	$ (977,750)	$ 23,949,275	$ 1,056,775
Premium on bond issues	1,391,784	-	(96,922)	1,294,862	-
Lease liabilities	32,086	-	(14,477)	17,609	14,155
Subscription liabilities	-	131,428	(63,290)	68,138	68,138
Total bonds payable and lease liabilities	26,350,895	131,428	(1,152,439)	25,329,884	1,139,068
Compensated absences *	319,435	-	(47,198)	272,237	190,565
Total business-type activities long-term liabilities	$ 26,670,330	$ 131,428	$ (1,199,637)	$ 25,602,121	$ 1,329,633

* Changes in compensated absences are reflected net.

Note 11. Defined Benefit Pension Plan

Plan Description

The City of Grapevine participates as one of over 938 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at tmrs.com.

All eligible employees of the City are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated based on the sum of the Member's contributions, with interest, and the City-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

Starting in 2005, the City of Grapevine granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount which considers salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest until retirement. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 1998, the City of Grapevine provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, or 5 years at age 60 and above
Updated service credit	100% repeating, transfers
Annuity increase to retirees	70% of CPI, repeating

Employees Covered by Benefit Terms

At the December 31, 2024, valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	544
Inactive employees entitled to but not yet receiving benefits	413
Active employees	639
Total	1,596

Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of the Member's total compensation, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contributions rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City of Grapevine were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rate for the City of Grapevine were 20.14% and 20.06% in calendar years 2025 and 2024 respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2025, were $12,381,300 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, heathy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018, to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35%	7.1%
Core Fixed Income	6%	5.0%
Non-Core Fixed Income	6%	6.8%
Hedge Funds	5%	6.4%
Private Equity	13%	8.5%
Private Debt	13%	8.2%
Real Estate	12%	6.7%
Infrastructure	6%	6.0%
Other Private Markets	4%	7.3%
Total	100%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) – (b)**
Balance at October 1, 2024	$ 379,432,354	$ 327,757,237	$ 51,675,117
Changes for the year:			
Service cost	11,148,705	-	11,148,705
Interest	25,392,181	-	25,392,181
Difference between expected and actual experience	1,884,404	-	1,884,404
Change in assumptions	-	-	-
Contributions - employer	-	11,690,694	(11,690,694)
Contributions - employee	-	4,079,505	(4,079,505)
Net investment income	-	34,045,150	(34,045,150)
Benefit payments, including refunds of employee contributions	(17,652,495)	(17,652,495)	-
Administrative expense	-	(218,411)	218,411
Other changes	-	(5,108)	5,108
Net changes	20,772,795	31,939,335	(11,166,540)
Balance at September 30, 2025	$ 400,205,149	$ 359,696,572	$ 40,508,577

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability / (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75)%	**Current Single Discount Rate Assumption (6.75)%**	**1% Increase in Discount Rate (7.75)%**
City's net pension liability / (asset)	93,896,398	40,508,577	(3,595,265)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at tmrs.com.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2025, the City recognized pension expense of $12,827,215, which is allocated to the governmental and business-type activities in the amounts of $11,702,675 and $1,124,540, respectively on the basis of covered payroll.

As of September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 4,917,224	$ -
Changes in actuarial assumptions	-	1,042,704
Difference between projected and actual investment earnings	-	3,608,199
Contributions subsequent to the measurement date	9,402,965	-
Total	$ 14,320,189	$ 4,650,903

$9,402,965 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the fiscal year ending September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2026	$ 2,498,230
2027	4,894,026
2028	(4,741,631)
2029	(2,384,304)
Total	$ 266,321

Note 12. Other Postemployment Benefit (OPEB) Plan

Plan Description

The City offers retired employees and their dependents the option to retain health and dental insurance coverage under the City's plan through a single employer defined benefit OPEB plan administered by the City of Grapevine Post-Retirement Health Care Plan Trust. Public Agency Retirement Services (PARS) is the Trust Administrator. The governing body of the Trust is composed of a coalition of member public agencies. Each member public agency appoints its individual plan administrator to serve as a member of the governing body. Certain provisions of the Trust may be changed by a two-thirds vote of the members of the governing body. A more detailed description of the plan is as follows:

Eligibility

The benefit is available to retirees and their spouses.

An employee must resign and satisfy the requirements for service retirement under TMRS with 20 years of full-time service with the City or 5 years of service with the City for age 60 and above. City Council members that serve three terms will be classified as retired employees when they leave office.

Retirees pay premiums for coverage in the OPEB programs. There is not a maximum employer paid premium amount (capped benefit). Active employees do not contribute to the retiree health care plan. Retirees are eligible for benefits immediately upon retirement. If the employee returns to work for an employer that offers health coverage, they become ineligible for the City's plan and cannot rejoin the City's health plan at a later date.

Benefits Provided

Retirees are eligible for medical, dental, vision, and prescription insurance until they become Medicare eligible. Retirees are also eligible for a $20,000 life insurance policy. Once Medicare eligible, retirees are eligible for dental, vision, and life insurance only. At that time, the City medical plan will no longer be available. The City supplements 70% of the premium to all retirees who either (1) retire after the age of 65 or (2) are covered pre-Medicare in the retiree medical program. Spouses of retirees will receive the City supplement if they have been on the plan for one year prior to retirement.

If an active employee passes away, the spouse and dependents will become eligible for retiree coverage if (1) the employee was eligible for retirement as defined by the Texas Municipal Retirement System; and (2) the employee had dependent coverage at the time of death. Coverage will continue under the plan if monthly retiree premiums are paid by the specified due date, until dependents are no longer considered eligible dependents as defined by the plan, until the covered dependent becomes Medicare eligible, or until a surviving spouse remarries.

For the fiscal year ended September 30, 2025, the City's contributions to the plan were $2,762,766, which consists of a trust contribution of $19,063 and benefit payments of $2,743,703.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	295
Active members	639
Total	934

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Health care cost trend rates	Pre-65 Medical: Initial rate of 7.50% declining to an ultimate rate of 4.25% after 15 years; Post-65 Medical Subsidy: Initial rate of 5.90% declining to an ultimate rate of 1.25% after 9 years Dental: 4.00%; Vision: 3.00%
Notes:	The Single Discount Rate changed from 3.80% as of December 31, 2023 to 4.10% as of December 31, 2024. Additionally, the participation rates for future retirees were lowered and the healthcare trend rates were updated to reflect the plan's anticipated experience.

Projections of health benefits are based on the plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

There is no separately issued audited benefit plan report available for the City's OPEB plan.

Investment Policy

The plan's policy in regard to the allocation of invested assets is established by the City. The current asset allocation policy for the plan year ended December 31, 2024, is as follows:

Asset Class	Target Allocation
Equity	54.00%
Diversifying	6.00%
Fixed Income	38.00%
Cash	2.00%
Total	100.00%

Concentrations

All of the Plan's investments are held with Public Agency Retirement Services in the Balanced Index Fund.

Rate of Return

For the plan year ended December 31, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 12.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

A single discount rate of 4.10% was used to measure the total OPEB liability. This single discount rate was based on the municipal bond rates of 4.08% as of the measurement date. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" based on the daily rate closest to but not later than the measurement date, along with the expected rate of return on OPEB plan investments of 6.25% resulting in the single discount rate of 4.10%.

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.25%.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.10%) in measuring the net OPEB liability.

	1% Decrease in Discount Rate 3.10%	Discount Rate 4.10%	1% Increase in Discount Rate 5.10%
City's net OPEB liability	$ 118,959,009	$ 103,053,092	$ 90,089,838

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the Net OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
City's net OPEB liability	$ 88,602,970	$ 103,053,092	$ 121,362,642

OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEBs

As of September 30, 2025, the City reported a liability of $103,053,092 for its net OPEB liability. The net OPEB liability was determined by an actuarial valuation as of December 31, 2024, and a measurement date of December 31, 2024. For the year fiscal ended September 30, 2025, the City recognized OPEB expense of $7,899,334, which is allocated to governmental and business-type activities in the amounts of $7,104,104 and $795,230, respectively on the basis of covered payroll. There were no changes of benefit terms that affected measurement of the net OPEB liability during the measurement period.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at beginning of year	$ 83,966,008	$ 2,739,243	$ 81,226,765
Changes for the year:			
Service cost	5,099,788	-	5,099,788
Interest	3,233,111	-	3,233,111
Difference between expected and actual experience	3,659,776	-	3,659,776
Changes of assumptions	12,991,811	-	12,991,811
Contributions – employer	-	2,849,027	(2,849,027)
Net investment income	-	325,994	(325,994)
Benefit payments	(2,868,090)	(2,868,090)	-
Administrative expense	-	(16,862)	16,862
Net changes	22,116,396	290,069	21,826,327
Balance at end of year	$ 106,082,404	$ 3,029,312	$ 103,053,092

The plan's Fiduciary Net Position as a percentage of Total OPEB Liability was 2.86% at September 30, 2025.

Changes in assumptions and other inputs reflect a change in the discount rate from 3.80% to 4.10%. As of September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 3,115,523	$ 4,455,531
Changes in actuarial assumptions	17,746,126	12,830,234
Difference between projected and actual investment earnings	-	36,878
Contributions subsequent to the measurement date	2,530,192	-
Total	$ 23,391,841	$ 17,322,643

$2,530,192 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with its own assets and will be recognized as a reduction of the net OPEB liability for the fiscal year ending September 30, 2026.

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2026	$ 577,235
2027	279,449
2028	(854,182)
2029	(917,326)
2030	2,660,001
Thereafter	1,793,829
Total	$ 3,539,006

Note 13. 457(b) Retirement Plans

The City offers all employees an opportunity to participate in two deferred compensation plans that have been established in accordance with Internal Revenue Code Section 457. These plans are 457(b) plans, and one is administered by Mission Square, and one is administered by Nationwide. The Plans provisions and contribution requirements are established and may be amended by plan administrator. Vantage Trust Company is the trustee of the Mission Square plan and Nationwide is the trustee of its plan. Employees may enroll in the plans and/or change their contribution amounts at any time. The City does not contribute to either plan.

Note 14. Commitments and Contingencies

The City is a defendant in several pending lawsuits. City management estimates, based on the advice of legal counsel, that the potential claims against the City, in excess of insurance coverage, would not materially affect the basic financial statements of the City.

The City participates in several federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability that may arise as the result of these audits is not believed to be estimable or probable.

Note 15. Tax Abatements

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax, and enhance the property tax base and economic vitality of the City. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code, Chapter 311 (Tax Increment Financing Act) and Chapter 312 (Property Redevelopment and Tax Abatement) of the Texas Tax Code. The economic development agreements are designed to support the creation of new businesses, the expansion and retention of existing businesses within the City, and the attraction of companies that offer high impact jobs and share the community's values. Recipients may be eligible to receive economic assistance based on the employment, economic or community impact of the project requesting assistance. Recipients generally commit to building or remodeling real property and related infrastructure, redeveloping properties, expanding operations, or bringing targeted business to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has the following categories of economic development agreements:

General Economic Development

The City enters into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount, or a percentage of hotel occupancy taxes or sales taxes received by the City, may result in fee reductions such as utility charges or building inspection or permit fees, or make lump sum payments to offset moving expenses, tenant finish-outs, demolition costs, infrastructure reimbursements, redevelopment costs, or other expenses. For fiscal year 2025, the City rebated $2,873,104 and $1,938,321 in sales taxes and hotel occupancy taxes, respectively, and made incentive payments of $100,000 under these agreements.

Tax Increment Financing

The City has adopted two Tax Increment Financing zones ("TIFs") under Chapter 311 of the Texas Tax Code. The City enters into economic development and infrastructure reimbursement agreements which earmark TIF revenues for payment to developers and represent obligations over the life of the TIF or until the terms of the agreements have been met. Additionally, the City enters into general economic development agreements under Chapter 380 of the Texas Local Government Code, which are funded with TIF resources. The City made $5,000,005 in payments for TIF obligations.

Note 16. Risk Management

The City purchases a fully insured program for property and casualty insurance coverage through Travelers Insurance and workers' compensation coverage through Texas Municipal League. The City is insured at the following limits:

Policy	Limits	Deductible
General liability	1,000,000 per occurrence/$2,000,000 aggregate	$ 10,000
Automobile liability	1,000,000 per occurrence	-
Automobile physical damage	Actual cash value	$ 5,000
Excess liability	$10,000,000 per occurrence/$10,000,000 aggregate	$ 10,000
Property	$274,746,337	$ 100,000
Workers' compensation	Statutory/employers' liability	$ 1,000,000

Risk Management oversees the City's self-insured employee health plan and retiree health plans. UMR is the third-party administrator for the employee and pre-65 retiree health plans. Claims and other plan administration services are performed by UMR. All participating funds make payments to the General Fund for their portion of property and casualty and health plan cost.

Financial responsibility in a self-insured funding arrangement is on the City, the risk of losses exceeding an affordable threshold is transferred to an insurance company through the purchase of stop-loss insurance with Stealth Partner Group. Stop-loss insurance protects the City from plan claims costs exceeding a specified deductible during the plan year.

There were no reductions in insurance coverage from the prior year. Settlements have not exceeded insurance coverage during any of the past three fiscal years.

Specific Excess Loss Insurance

The City has specific excess loss insurance to cover specific claims incurred by plan participants. The City has a $250,000 specific deductible for each medical plan member. The specific benefit period reimbursement maximum under this coverage is unlimited per covered person.

Aggregate Excess Loss Insurance

The City also has coverage for aggregate claims incurred under the self-insured health plan. Under this coverage, aggregate claims in excess of an estimate annual aggregate attachment point of $10,000,000 would be covered up to an aggregate benefit period reimbursement maximum of $1,000,000.

The City establishes the insurance claim liability based on estimates of the ultimate cost of claims reported but unsettled and of claims incurred but not reported. Any claims incurred and not reported are not believed to be significant to the City's financial statements. Activity for the last two years is as follows:

	2025	2024
Claims payable, beginning of year	$ 1,047,048	$ 1,306,336
Current year claims and changes in estimates	12,262,033	12,910,848
Payments on claims	(12,269,643)	(13,170,136)
Claims payable at end of year	$ 1,039,438	$ 1,047,048

Note 17. Impact Fees

The City records impact fees received in excess of the costs of physical connection to the water and sewer system as revenues. Corresponding cash is recorded as a restricted asset for future expansion of the water and sewer system.

Note 18. Water and Sewer Contracts

The City has separate contracts with the Trinity River Authority of Texas ("TRA") for the purchase of treated water and for the transportation, treatment, and disposal of wastewater. The contracts require the City to pay varying amounts based on the costs associated with water purchased and wastewater transported and/or treated and disposed. The costs include the City's proportionate share of TRA's operating and maintenance expenses, related debt service costs, plus certain other miscellaneous charges. The City also purchases water from the City of Dallas-Water Utilities and Dallas County Park Cities Municipal Utilities District. Payments during 2025 for the purchase of treated water were $13,648,187 and payments made for the transportation, treatment, and disposal of wastewater by TRA were $3,353,229.

Note 19. Adjustments to Beginning Fund Balances

During fiscal year 2025, the Grant fund changed from being included in the nonmajor funds to a major fund. This change to or within the financial reporting entity resulted in adjustments to beginning fund balances, as follows:

	Reporting Units Affected by Adjustments to Beginning Balances	
	Nonmajor Governmental	Grant
9/30/2024 Fund Balances, Beginning of Year, as previously reported	$ 168,666	$ -
Change from nonmajor to major fund	(168,666)	168,666
9/30/2024 Fund Balance, Beginning of Year, as adjusted	$ -	$ 168,666

Required Supplementary Information

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City of Grapevine, Texas
General Fund Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Increase
	Original	Final	Actual	(Decrease)
Revenues				
Property taxes	$ 15,794,705	$ 15,794,705	$ 15,641,625	$ (153,080)
Sales taxes	42,500,000	42,500,000	44,072,484	1,572,484
Mixed beverage taxes	2,838,000	2,838,000	2,729,384	(108,616)
Franchise taxes	6,626,872	6,626,872	6,548,547	(78,325)
Licenses and permits	2,048,388	2,048,388	2,231,373	182,985
Intergovernmental	100,000	100,000	437,451	337,451
Charges for services	7,114,500	7,114,500	9,835,000	2,720,500
Fines and forfeitures	1,286,000	1,286,000	1,287,234	1,234
Investment income	416,484	416,484	546,430	129,946
Contributions	-	-	52,313	52,313
Miscellaneous	135,500	135,500	180,500	45,000
Total revenues	78,860,449	78,860,449	83,562,341	4,701,892
Expenditures				
Current:				
General government	19,413,173	19,413,173	20,784,240	(1,371,067)
Public safety	23,107,021	23,107,021	23,816,780	(709,759)
Culture and recreation	17,651,619	17,651,619	18,230,932	(579,313)
Public works	13,551,991	13,551,991	11,431,159	2,120,832
Capital outlay	171,400	171,400	2,091,274	(1,919,874)
Debt service:				
Principal	-	-	991,790	(991,790)
Interest	-	-	107,399	(107,399)
Total expenditures	73,895,204	73,895,204	77,453,574	(3,558,370)
Excess (deficiency) of revenues over (under) expenditures	4,965,245	4,965,245	6,108,767	1,143,522
Other Financing Sources (Uses)				
Transfers in	5,314,623	5,314,623	5,336,667	22,044
Transfers out	(10,388,051)	(10,388,051)	(12,621,869)	(2,233,818)
Sale of capital assets	108,300	108,300	66,156	(42,144)
Leases issued	-	-	18,193	18,193
Subscriptions issued	-	-	1,547,121	1,547,121
Insurance recoveries	75,000	75,000	56,658	(18,342)
Total other financing sources (uses)	(4,890,128)	(4,890,128)	(5,597,074)	(706,946)
Net Change in Fund Balances	75,117	75,117	511,693	436,576
Fund Balances, Beginning of Year	16,829,387	16,829,387	16,829,387	-
Fund Balances, Ending of Year	$ 16,904,504	$ 16,904,504	$ 17,341,080	$ 436,576

City of Grapevine, Texas
Hotel Occupancy Tax Fund Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Increase
	Original	Final	Actual	(Decrease)
Revenues				
Hotel occupancy taxes	$ 21,396,873	$ 21,396,873	$ 23,512,535	$ 2,115,662
Charges for services	10,068,620	10,068,620	9,885,470	(183,150)
Investment income	1,088,100	1,088,100	1,536,889	448,789
Miscellaneous	111,000	111,000	82,273	(28,727)
Total revenues	32,664,593	32,664,593	35,017,167	2,352,574
Expenditures				
Current:				
Tourism	29,983,932	29,983,932	25,882,404	4,101,528
Capital outlay	-	-	158,086	(158,086)
Debt service:				
Principal	-	-	34,846	(34,846)
Interest	-	-	1,604	(1,604)
Total expenditures	29,983,932	29,983,932	26,076,940	3,906,992
Excess (deficiency) of revenues over (under) expenditures	2,680,661	2,680,661	8,940,227	6,259,566
Other Financing Sources (Uses)				
Transfers in	425,816	425,816	360,062	(65,754)
Transfers out	(2,536,310)	(2,536,310)	(7,371,110)	(4,834,800)
Total other financing sources (uses)	(2,110,494)	(2,110,494)	(7,011,048)	(4,900,554)
Net Change in Fund Balances	570,167	570,167	1,929,179	1,359,012
Fund Balances, Beginning of Year	40,360,134	40,360,134	40,360,134	-
Fund Balances, Ending of Year	$ 40,930,301	$ 40,930,301	$ 42,289,313	$ 1,359,012

City of Grapevine, Texas
Crime District Fund Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Increase
	Original	Final	Actual	(Decrease)
Revenues				
Sales taxes	$ 21,250,000	$ 21,250,000	$ 21,657,059	$ 407,059
Intergovernmental	446,000	446,000	683,568	237,568
Fines and forfeitures	75,100	75,100	34,754	(40,346)
Investment income	35,000	35,000	550,689	515,689
Miscellaneous	6,500	6,500	-	(6,500)
Total revenues	21,812,600	21,812,600	22,926,070	1,113,470
Expenditures				
Current:				
Public safety	24,229,388	24,229,388	25,435,783	(1,206,395)
Capital outlay	-	-	165,108	(165,108)
Debt service:				
Principal	-	-	33,155	(33,155)
Interest	-	-	152	(152)
Total expenditures	24,229,388	24,229,388	25,634,198	(1,404,810)
Excess (deficiency) of revenues over (under) expenditures	(2,416,788)	(2,416,788)	(2,708,128)	(291,340)
Other Financing Sources (Uses)				
Transfers in	2,416,788	2,416,788	2,416,788	-
Subscriptions issued	-	-	104,727	104,727
Total other financing sources (uses)	2,416,788	2,416,788	2,521,515	-
Net Change in Fund Balances	-	-	(186,613)	(291,340)
Fund Balances, Beginning of Year	8,847,668	8,847,668	8,847,668	-
Fund Balances, Ending of Year	$ 8,847,668	$ 8,847,668	$ 8,661,055	$ (291,340)

City of Grapevine, Texas
4B Economic Development Fund Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Increase
	Original	Final	Actual	(Decrease)
Revenues				
Sales taxes	$ 5,312,500	$ 5,312,500	$ 6,652,150	$ 1,339,650
Investment income	341,715	341,715	509,050	167,335
Miscellaneous	-	-	399,319	399,319
Total revenues	5,654,215	5,654,215	7,560,519	1,906,304
Expenditures				
Current:				
Culture and recreation	-	-	14,696	(14,696)
Economic development	3,857,324	3,857,324	3,990,293	(132,969)
Capital outlay	-	-	5,556,350	(5,556,350)
Total expenditures	3,857,324	3,857,324	9,561,339	(5,704,015)
Excess (deficiency) of revenues over (under) expenditures	1,796,891	1,796,891	(2,000,820)	(3,797,711)
Other Financing Sources (Uses)				
Transfers out	(1,796,891)	(1,796,891)	(2,939,132)	(1,142,241)
Total other financing sources (uses)	(1,796,891)	(1,796,891)	(2,939,132)	(1,142,241)
Net Change in Fund Balances	-	-	(4,939,952)	(4,939,952)
Fund Balances, Beginning of Year	15,807,197	15,807,197	15,807,197	-
Fund Balances, Ending of Year	$ 15,807,197	$ 15,807,197	$ 10,867,245	$ (4,939,952)

City of Grapevine, Texas
4B Transit Fund Fund Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Increase
	Original	Final	Actual	(Decrease)
Revenues				
Sales taxes	$ 15,937,500	$ 15,937,500	$ 15,374,978	$ (562,522)
Total revenues	15,937,500	15,937,500	15,374,978	(562,522)
Expenditures				
Current:				
Transportation	15,511,684	15,511,684	15,003,172	508,512
Total expenditures	15,511,684	15,511,684	15,003,172	508,512
Excess (deficiency) of revenues over (under) expenditures	425,816	425,816	371,806	(54,010)
Other Financing Sources (Uses)				
Transfers out	(425,816)	(425,816)	(360,062)	65,754
Total other financing sources (uses)	(425,816)	(425,816)	(360,062)	65,754
Net Change in Fund Balances	-	-	11,744	11,744
Fund Balances, Beginning of Year	44,765	44,765	44,765	-
Fund Balances, Ending of Year	$ 44,765	$ 44,765	$ 56,509	$ 11,744

1. Summary of Significant Accounting Policies

A. Budgets

The City follows these procedures in establishing budgetary data reflected in the financial statements:

(1) Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
(2) Public hearings are conducted to obtain taxpayer comments.
(3) Prior to September 15, the budget is legally enacted through passage of an ordinance.
(4) The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council, after public hearings. Total expenditures may not exceed appropriations at the individual fund level.
(5) Budgets are legally adopted for the General Fund, Hotel Occupancy Tax Fund, the Crime District Fund, the 4B – Economic Development Fund, the 4B – Transit Fund, the Debt Service Fund and Enterprise Funds. Budgetary control is maintained at the fund level.
(6) Budgets for the General, Hotel Occupancy Tax, Crime District, 4-B Economic Development Fund, 4B–Transit Fund, and Debt Service Fund are adopted in accordance with generally accepted accounting principles. Budget amounts are as amended by the City Council and adjusted for transfers of budgeted amounts between departments within any fund, authorized by the City Manager.
(7) Budgetary comparison schedules are presented as required supplementary information for the General Fund and for each major special revenue fund. Capital Projects Funds have not been presented as such funds are budgeted over the life of the respective project and not on an annual basis. Accordingly, formal budgetary integration of these funds is not employed and comparison of actual results of operations to budgetary data for such funds is not presented.
(8) The budgetary comparison schedules included in the required supplementary information present a comparison of budgetary data to actual results of operations for the General Fund, Hotel Occupancy Tax Fund, Crime District Fund, 4-B Economic Development Fund, and 4B–Transit Fund. A comparison of budgetary data to actual results of operations for the Debt Service Fund is presented as supplementary information.

2. Excess of Expenditures Over Appropriations

For the year ended September 30, 2025, expenditures exceeded appropriations in the following funds by the following amounts:

General Fund – $3,558,370

Crime District Fund – $1,404,810

4B–Economic Development Fund – $5,704,015

The overages were covered by excess revenue or available fund balance.

City of Grapevine, Texas
Schedule of Changes in Net Pension Liability and Related Ratios - TMRS

Plan Year	2015	2016	2017	2018
A. Total pension liability				
Service Cost	$ 7,082,668	$ 7,293,298	$ 7,724,236	$ 8,129,774
Interest (on the total pension liability)	16,144,617	16,410,412	17,301,746	18,265,311
Difference between expected and actual experience	(1,393,602)	(1,109,085)	(772,200)	(1,201,653)
Changes of assumptions	(77,299)	-	-	-
Benefit payments, including refunds of employee contributions	(9,417,307)	(9,346,450)	(9,863,833)	(10,499,198)
Net change in total pension liability	12,339,077	13,248,175	14,389,949	14,694,234
Total pension liability - beginning	231,804,709	244,143,786	257,391,961	271,781,910
Total pension liability - ending (a)	$ 244,143,786	$ 257,391,961	$ 271,781,910	$ 286,476,144
B. Plan fiduciary net position				
Contributions - employer	$ 7,547,081	$ 7,526,300	$ 7,958,051	$ 8,375,515
Contributions - employee	2,769,765	2,764,119	2,922,684	3,093,341
Net investment income	284,606	13,104,905	28,801,972	(7,113,672)
Benefit payments, including refunds of employee contributions	(9,417,307)	(9,346,450)	(9,863,833)	(10,499,198)
Administrative expense	(173,344)	(147,973)	(149,230)	(137,452)
Other	(8,562)	(7,972)	(7,564)	(7,184)
Net change in plan fiduciary net position	1,002,239	13,892,929	29,662,080	(6,288,650)
Plan fiduciary net position - beginning	192,868,916	193,871,155	207,764,084	237,426,164
Plan fiduciary net position - ending (b)	193,871,155	207,764,084	237,426,164	231,137,514
C. Net pension liability - ending (a) - (b)	$ 50,272,631	$ 49,627,877	$ 34,355,746	$ 55,338,630
D. Plan fiduciary net position as a percentage of total pension liability	79.41%	80.72%	87.36%	80.68%
E. Covered payroll	$ 39,260,910	$ 39,444,551	$ 41,752,627	$ 44,087,711
F. Net pension liability as a percentage of covered payroll	128.05%	125.82%	82.28%	125.52%

Other Information:
For the 2015 valuation, inflation used was 2.5%, investment rate of return and discount rate used was 6.75% and actuarial studies were updated through December 31, 2014.

For the 2019 valuation, actuarial studies were updated through December 31, 2018.

For the 2023 valuation, actuarial studies were updated through December 31, 2022.

2019	2020	2021	2022	2023	2024
$ 8,579,543	$ 8,865,558	$ 8,933,723	$ 9,423,807	$ 10,039,426	$ 11,148,705
19,238,959	20,359,202	21,349,425	22,689,707	24,123,658	25,392,181
659,154	(1,320,295)	3,663,777	4,715,818	3,265,800	1,884,404
207,921	-	-	-	(2,026,390)	-
(11,488,595)	(12,976,187)	(13,560,965)	(15,110,921)	(16,675,915)	(17,652,495)
17,196,982	14,928,278	20,385,960	21,718,411	18,726,579	20,772,795
286,476,144	303,673,126	318,601,404	338,987,364	360,705,775	379,432,354
$ 303,673,126	$ 318,601,404	$ 338,987,364	$ 360,705,775	$ 379,432,354	$ 400,205,149
$ 8,626,976	$ 8,775,571	$ 9,012,183	$ 9,263,911	$ 10,135,547	$ 11,690,694
3,250,584	3,315,113	3,355,499	3,497,669	3,738,084	4,079,505
35,749,292	20,280,650	37,344,139	(23,532,837)	34,316,178	34,045,150
(11,488,595)	(12,976,187)	(13,560,965)	(15,110,921)	(16,675,915)	(17,652,495)
(201,910)	(131,176)	(172,710)	(203,590)	(218,287)	(218,411)
(6,064)	(5,118)	1,183	242,944	(1,525)	(5,108)
35,930,283	19,258,853	35,979,329	(25,842,824)	31,294,082	31,939,335
231,137,514	267,067,797	286,326,650	322,305,979	296,463,155	327,757,237
267,067,797	286,326,650	322,305,979	296,463,155	327,757,237	359,696,572
$ 36,605,329	$ 32,274,754	$ 16,681,385	$ 64,242,620	$ 51,675,117	$ 40,508,577
87.95%	89.87%	95.08%	82.19%	86.38%	89.88%
$ 46,426,097	$ 47,358,751	$ 47,722,880	$ 49,967,164	$ 53,401,200	$ 58,278,645
78.85%	68.15%	34.95%	128.57%	96.77%	69.51%

City of Grapevine, Texas
Schedule of Contributions - TMRS

Fiscal Year	2016	2017	2018	2019
Actuarial determined contribution	$ 7,395,291	$ 7,815,149	$ 8,334,727	$ 8,735,515
Contributions in relation to the actuarially determined contribution	7,395,291	7,815,149	8,334,727	8,735,515
Contribution deficiency (excess)	-	-	-	-
Covered payroll	38,748,515	41,002,879	43,861,106	45,272,727
Contributions as a percentage of covered payroll	19.09%	19.06%	19.00%	19.30%

Notes to Schedule of Contributions

Valuation Date:
Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rate are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Other Information	There were no benefit changes during the year.

2020	2021	2022	2023	2024	2025
$ 8,848,797	$ 8,857,579	$ 9,350,889	$ 10,061,230	$ 11,211,977	$ 12,381,300
8,848,797	8,857,579	9,350,889	10,061,230	11,211,977	12,381,300
-	-	-	-	-	-
47,716,819	47,270,943	50,227,753	53,323,702	56,105,602	61,824,340
18.54%	18.74%	18.62%	18.87%	19.98%	20.03%

City of Grapevine, Texas
Schedule of Changes in Net OPEB Liability and Related Ratios
Health Care Benefit Plan

Plan Year	2017	2018	2019	2020
A. Total OPEB liability				
Service Cost	$ 2,883,770	$ 3,547,117	$ 3,955,532	$ 4,841,226
Interest (on the total OPEB liability)	2,452,440	2,423,640	2,606,795	2,339,946
Difference between expected and actual experience	209,342	(1,065,868)	(528,026)	(3,113,851)
Changes of assumptions	4,730,475	(8,510,968)	6,316,707	10,638,856
Benefit payments	(1,821,839)	(1,687,035)	(1,471,310)	(1,957,430)
Net change in total OPEB liability	8,454,188	(5,293,114)	10,879,698	12,748,747
Total OPEB liability - beginning	63,837,532	72,291,720	66,998,606	77,878,304
Total OPEB liability - ending (a)	$ 72,291,720	$ 66,998,606	$ 77,878,304	$ 90,627,051
B. Plan fiduciary net position				
Employer Contributions	$ 2,821,839	$ 2,187,035	$ 1,971,310	$ 1,957,430
Net investment income	63,643	(77,518)	304,042	261,069
Benefit payments	(1,821,839)	(1,687,035)	(1,471,310)	(1,957,430)
Administrative expense	(2,315)	(6,401)	(9,715)	(13,083)
Net change in plan fiduciary net position	1,061,328	416,081	794,327	247,986
Plan fiduciary net position - beginning	-	1,061,328	1,477,409	2,271,736
Plan fiduciary net position - ending (b)	1,061,328	1,477,409	2,271,736	2,519,722
C. Net OPEB liability - ending (a) - (b)	$ 71,230,392	$ 65,521,197	$ 75,606,568	$ 88,107,329
D. Plan fiduciary net position as a percentage of total OPEB liability	1.47%	2.21%	2.92%	2.78%
E. Covered-employee payroll	$ 41,752,627	$ 44,087,895	$ 46,426,087	$ 47,352,845
F. Net OPEB liability as a percentage of Covered-employee payroll	170.60%	148.61%	162.85%	186.07%

Notes to Schedule:

GASB Statement No. 75 requires 10 years of data to be provided in this schedule. As of December 31, 2024 (Plan Year), only 8 years are included. Additional years will be added in the future as the information becomes available.

The long-term expected investment return assumption was changed from 6.75% to 6.25% in plan year 2020.

The demographic and salary assumptions were updated to reflect the 2023 TMRS Experience Study and the single discount rate changed from 4.07% as of December 31, 2022 to 3.80% in plan year 2023.

The participation rates for future retirees were lowered and the healthcare trend assumption was modified. The single discount rate changed from 3.80% as of December 31, 2023 to 4.10% in plan year 2024.

The following are the discount rates used in each of the periods:

2024	4.10%	2021	1.87%	2018	3.82%
2023	3.80%	2020	2.04%	2017	3.31%
2022	4.70%	2019	2.95%		

2021	2022	2023	2024
$ 6,003,761	$ 6,237,623	$ 4,260,841	$ 5,099,788
1,892,029	1,879,745	3,189,174	3,233,111
(577,180)	(4,896,186)	(480,641)	3,659,776
2,333,350	(22,180,893)	1,872,038	12,991,811
(1,764,776)	(2,223,797)	(2,206,131)	(2,868,090)
7,887,184	(21,183,508)	6,635,281	22,116,396
90,627,051	98,514,235	77,330,727	83,966,008
$ 98,514,235	$ 77,330,727	$ 83,966,008	$ 106,082,404
$ 1,764,776	$ 2,223,797	$ 2,225,194	$ 2,849,027
318,383	(417,682)	345,018	325,994
(1,764,776)	(2,223,797)	(2,206,131)	(2,868,090)
(15,846)	(14,825)	(14,590)	(16,862)
302,537	(432,507)	349,491	290,069
2,519,722	2,822,259	2,389,752	2,739,243
2,822,259	2,389,752	2,739,243	3,029,312
$ 95,691,976	$ 74,940,975	$ 81,226,765	$ 103,053,092
2.86%	3.09%	3.26%	2.86%
$ 50,766,918	$ 53,427,699	$ 57,413,752	$ 58,160,354
188.49%	140.27%	141.48%	177.19%

City of Grapevine, Texas
Schedule of Investment Returns
Health Care Benefit Plan

Plan Year	Annual Money-Weighted Rate of Return
2017	15.64%
2018	(4.66)%
2019	19.90%
2020	13.48%
2021	12.66%
2022	(14.82)%
2023	14.47%
2024	12.00%

*The information in this schedule has been determined as of the measurement date (December 31) of the City's net OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision, only periods for which such information is available are presented.

Combining and Individual Statements and Schedules

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Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for revenues that are restricted in nature for a special purpose limited by state law and management intentions for expenditures.

Special Revenue Fund – to account for revenues that are restricted in name for a special purpose limited by state law and management intentions for expenditures. These funds include monies for state and federal forfeitures, library and parks programs and police in-service training.

Storm Drainage Fund – to account for revenues from a special fee that is restricted to finance the maintenance, repair, and construction of drainage facilities.

Lake Parks Fund – is a special revenue fund that accounts for the operations of the City's Parks and Recreation Department at Grapevine Lake.

Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Tax Increment Financing (TIF) #2 Fund – to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of TIF #2.

Capital Projects Funds

Capital Projects Funds – used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Grant Fund – accounts for capital grants awarded to the City that are used for the acquisition and construction of major capital facilities.

Parks Open Space and Recreation Fund – used to account for the financing, acquisition, construction and improvement of parks and public recreation facilities.

Tax Increment Financing (TIF) #2 Fund – established for the financing, acquisition and construction of the infrastructure surrounding Gaylord Texas Resort and Convention Center.

Streets Fund – is used to account for the construction of improvements to various streets, drainage, and sidewalk projects.

Street Maintenance and Capital Replacement Fund – to account for resources provided and expended on street maintenance and capital replacements.

Capital Acquisition Fund – to account for financial resources for the replacement and acquisition of capital assets.

Quality of Life Fund – to account for capital projects as designated by the City Council.

City of Grapevine, Texas
Combining Balance Sheet
Governmental Funds - Nonmajor
September 30, 2025

	Special Revenue Funds			Debt Service	Capital Projects
	Special Revenue	Storm Drainage	Lake Parks	TIF #2	Formerly Nonmajor Grant
Assets					
Cash	$ 6,343,728	$ 738,700	$ 92,028	$ 19,881,807	$ -
Receivables, net:					
Accounts	9,048	155,624	5,389	-	-
Leases	2,899,886	-	-	-	-
Accrued interest	13,968	-	-	-	-
Due from other governments	355,049	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	$ 9,621,679	$ 894,324	$ 97,417	$ 19,881,807	$ -
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)					
Liabilities					
Accounts payable	$ 23,513	$ 19,088	$ 145,066	$ -	$ -
Accrued liabilities	114,282	40,799	40,240	-	-
Unearned revenue	64,944	-	612,079	-	-
Developer deposits	-	-	-	-	-
Total liabilities	202,739	59,887	797,385	-	-
Deferred Inflows of Resources					
Unavailable revenue	355,049	-	-	-	-
Lease related	2,824,709	-	-	-	-
Total deferred inflows of resources	3,179,758	-	-	-	-
Fund Balances (Deficit)					
Nonspendable:					
Prepaid items	-	-	-	-	-
Restricted for:					
Debt service	-	-	-	19,881,807	-
Capital projects	368,483	-	-	-	-
Court security and technology	818,960	-	-	-	-
Public safety	2,070,361	-	-	-	-
Records preservation	25,069	-	-	-	-
Culture and recreation	101,815	-	-	-	-
Committed for:					
Capital projects	-	-	-	-	-
Stormwater drainage operations	-	834,437	-	-	-
Public arts	2,185,873	-	-	-	-
Assigned for:					
Capital projects	-	-	-	-	-
Culture and recreation	657,538	-	-	-	-
Public safety	11,083	-	-	-	-
Unassigned	-	-	(699,968)	-	-
Total fund balances (deficit)	6,239,182	834,437	(699,968)	19,881,807	-
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 9,621,679	$ 894,324	$ 97,417	$ 19,881,807	$ -

Capital Projects							
Parks Open Space and Recreation	TIF #2	Streets	Street Maintenance and Capital Replacement	Capital Acquisition	Quality of Life	Total Nonmajor Governmental Funds
$ 305,173	$ 2,682,087	$ 4,135,079	$ 2,013,935	$ 6,900,703	$ 5,932,716	$ 49,025,956
-	-	-	11,744	69,274	11,619	262,698
-	-	-	-	-	-	2,899,886
-	-	-	-	-	-	13,968
-	-	-	22,172	-	-	377,221
-	-	-	-	4,455,158	-	4,455,158
$ 305,173	$ 2,682,087	$ 4,135,079	$ 2,047,851	$ 11,425,135	$ 5,944,335	$ 57,034,887
$ -	$ -	$ 45,336	$ 427,130	$ 64,771	$ 34,794	$ 759,698
-	-	-	-	-	-	195,321
-	-	-	-	-	-	677,023
-	-	1,034,905	-	-	-	1,034,905
-	-	1,080,241	427,130	64,771	34,794	2,666,947
72,525	-	-	5,543	-	11,622	444,739
-	-	-	-	-	-	2,824,709
72,525	-	-	5,543	-	11,622	3,269,448
-	-	-	-	4,455,158	-	4,455,158
-	-	-	-	-	-	19,881,807
-	2,682,087	3,054,838	1,615,178	4,404	-	7,724,990
-	-	-	-	-	-	818,960
-	-	-	-	-	-	2,070,361
-	-	-	-	-	-	25,069
-	-	-	-	-	-	101,815
-	-	-	-	-	5,897,919	5,897,919
-	-	-	-	-	-	834,437
-	-	-	-	-	-	2,185,873
-	-	-	-	6,900,802	-	6,900,802
232,648	-	-	-	-	-	890,186
-	-	-	-	-	-	11,083
-	-	-	-	-	-	(699,968)
232,648	2,682,087	3,054,838	1,615,178	11,360,364	5,897,919	51,098,492
$ 305,173	$ 2,682,087	$ 4,135,079	$ 2,047,851	$ 11,425,135	$ 5,944,335	$ 57,034,887

City of Grapevine, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds - Nonmajor
For the Year Ended September 30, 2025

	Special Revenue Funds			Debt Service
	Special Revenue	Storm Drainage	Lake Parks	TIF #2
Revenues				
Property taxes	$ -	$ -	$ -	$ 7,276,219
Franchise taxes	187,956	-	-	-
Intergovernmental	1,584,360	-	-	-
Charges for services	230,403	1,522,735	3,148,984	-
Fines and forfeitures	106,485	-	-	-
Investment income	222,756	38,380	8,020	797,890
Contributions	94,882	-	-	-
Miscellaneous	22,093	-	14,138	-
Total revenues	2,448,935	1,561,115	3,171,142	8,074,109
Expenditures				
Current:				
General government	60,666	-	-	-
Public safety	1,671,096	-	-	-
Culture and recreation	221,774	-	3,241,578	-
Public works	-	1,292,663	-	-
Economic development	-	-	-	4,885,585
Capital outlay	193,515	443,920	737,329	-
Debt service:				
Principal	-	-	-	2,165,000
Interest	-	-	-	143,000
Total expenditures	2,147,051	1,736,583	3,978,907	7,193,585
Excess (Deficiency) of Revenues Over (Under) Expenditures	301,884	(175,468)	(807,765)	880,524
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(339,889)	-	-
Sale of capital assets	-	-	185,000	-
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	-	(339,889)	185,000	-
Net Change in Fund Balances	301,884	(515,357)	(622,765)	880,524
Fund Balances (Deficit), Beginning of Year, as previously presented	5,937,298	1,349,794	(77,203)	19,001,283
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-
Fund Balances, Beginning of Year, as adjusted	5,937,298	1,349,794	(77,203)	19,001,283
Fund Balances (Deficit), End of Year	$ 6,239,182	$ 834,437	$ (699,968)	$ 19,881,807

Capital Projects Funds							
Formerly Nonmajor Grant	Parks Open Space and Recreation	TIF #2	Streets	Street Maintenance and Capital Replacement	Capital Acquisition	Quality of Life	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,276,219
-	-	-	-	-	-	-	187,956
-	-	-	67,438	66,516	-	55,648	1,773,962
-	-	-	-	-	55,523	-	4,957,645
-	-	-	-	-	-	-	106,485
-	11,597	118,886	175,884	167,830	382,580	207,300	2,131,123
-	73,000	-	-	-	-	-	167,882
-	-	-	-	-	-	11,621	47,852
-	84,597	118,886	243,322	234,346	438,103	274,569	16,649,124
-	-	-	-	-	223,271	-	283,937
-	-	-	-	-	396,992	-	2,068,088
-	17,708	-	-	1,346,811	406,970	241,748	5,476,589
-	-	-	98,511	2,809,001	-	-	4,200,175
-	-	-	-	-	-	-	4,885,585
-	28,319	-	96,274	379,440	5,297,368	327,087	7,503,252
-	-	-	-	-	-	263,186	2,428,186
-	-	-	-	-	-	44,113	187,113
-	46,027	-	194,785	4,535,252	6,324,601	876,134	27,032,925
-	38,570	118,886	48,537	(4,300,906)	(5,886,498)	(601,565)	(10,383,801)
-	-	-	-	4,899,450	2,405,253	1,900,000	9,204,703
-	-	-	-	-	-	-	(339,889)
-	-	-	-	-	355,411	-	540,411
-	-	-	-	-	297,118	-	297,118
-	-	-	-	4,899,450	3,057,782	1,900,000	9,702,343
-	38,570	118,886	48,537	598,544	(2,828,716)	1,298,435	(681,458)
168,666	194,078	2,563,201	3,006,301	1,016,634	14,189,080	4,599,484	51,948,616
(168,666)	-	-	-	-	-	-	(168,666)
-	194,078	2,563,201	3,006,301	1,016,634	14,189,080	4,599,484	51,779,950
$ -	$ 232,648	$ 2,682,087	$ 3,054,838	$ 1,615,178	$ 11,360,364	$ 5,897,919	$ 51,098,492

City of Grapevine, Texas
Debt Service Fund Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Increase (Decrease)
	Original	Final	Actual	
Revenues				
Property taxes	$ 13,070,000	$ 13,070,000	$ 12,973,249	$ (96,751)
Investment income	150,000	150,000	380,262	230,262
Total revenues	13,220,000	13,220,000	13,353,511	133,511
Expenditures				
Current:				
General government	-	-	14,628	(14,628)
Debt service:				
Principal	11,100,000	11,100,000	10,502,250	597,750
Interest	5,303,544	5,303,544	4,386,127	917,417
Fiscal agent charges	-	-	620	(620)
Total expenditures	16,403,544	16,403,544	14,903,625	1,499,919
Excess (deficiency) of revenues over (under) expenditures	(3,183,544)	(3,183,544)	(1,550,114)	1,633,430
Other Financing Sources (Uses)				
Transfers in	3,971,468	3,971,468	2,513,055	(1,458,413)
Transfers out	(666,056)	(666,056)	(666,444)	(388)
Total other financing sources (uses)	3,305,412	3,305,412	1,846,611	(1,458,801)
Net Change in Fund Balances	121,868	121,868	296,497	174,629
Fund Balances, Beginning of Year	6,669,703	6,669,703	6,669,703	-
Fund Balances, Ending of Year	$ 6,791,571	$ 6,791,571	$ 6,966,200	$ 174,629

City of Grapevine, Texas
Balance Sheet - Discretely Presented Component Unit
Heritage Foundation
September 30, 2025

Assets	
Cash and investments	$ 648,753
Total assets	$ 648,753
Liabilities	
Accounts payable	$ 12,911
Due to primary government	14,011
Unearned revenue	1,019
Total liabilities	27,941
Fund Balances	
Unassigned	620,812
Total fund balances	620,812
Total liabilities and fund balances	$ 648,753

City of Grapevine, Texas
Reconciliation of the Balance Sheet to the Statement of Net Position - Discretely Presented Component Unit
September 30, 2025

Total fund balance	$	620,812
Amounts reported in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not reported in the funds.		1,025,789
Total net position	$	1,646,601

City of Grapevine, Texas
Statement of Revenues, Expenditures and Changes in Fund Balance - Discretely Presented Component Unit
For the Year Ended September 30, 2025

Revenues	
Charges for services	$ 4,073
Investment income	24,528
Contributions	159,175
Miscellaneous	33,844
Total revenues	221,620
Expenditures	
Economic development	126,908
Total expenditures	126,908
Change in Fund Balances	94,712
Fund Balances, Beginning of Year	526,100
Fund Balances, End of Year	$ 620,812

City of Grapevine, Texas
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities - Discretely Presented Component Unit
For the Year Ended September 30, 2025

Net change in fund balance	$	94,712
Amounts reported in the Statement of Activities are different because:		
Depreciation on capital assets is reported in the Statement of Activities but does not require the use of current financial resources. Therefore, depreciation is not reported as expenditures in fund.		(29,632)
Change in net position	$	65,080

Statistical Section

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Statistical Section

This part of the City of Grapevine, Texas' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends **102 - 111**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity **112 - 118**

These schedules contain information to help the reader assess the City's most significant local revenue sources. Sales tax is the City's most significant revenue source. Sales tax revenue information available to the City is in Tables 5 and 6. Information about principal sales tax revenue payers is confidential under Texas statutes and is not provided. Additionally, information about the City's second most significant local revenue source, property taxes, is provided.

Debt Capacity **119 - 126**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information **127 - 128**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information **129 - 132**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Grapevine, Texas
Net Position by Component Last Ten Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Governmental activities:				
Net investment in capital assets	$ 176,591	$ 214,481	$ 226,572	$ 241,514
Restricted	78,219	73,872	80,078	95,251
Unrestricted	(14,043)	(26,090)	(68,706)	(61,220)
Total governmental activities net position	$ 240,767	$ 262,263	$ 237,944	$ 275,545
Business-type activities:				
Net investment in capital assets	$ 126,510	$ 122,775	$ 125,604	$ 131,141
Restricted	3,205	3,467	4,187	3,714
Unrestricted	8,507	10,548	11,817	6,303
Total business-type activities net position	$ 138,222	$ 136,790	$ 141,608	$ 141,158
Primary government:				
Net investment in capital assets	$ 303,101	$ 337,256	$ 352,175	$ 372,654
Restricted	81,424	77,339	84,265	98,965
Unrestricted	(5,536)	(15,542)	(56,889)	(54,917)
Total primary government net position	$ 378,989	$ 399,053	$ 379,551	$ 416,702

	Fiscal Year					
	2020	**2021**	**2022**	**2023**	**2024**	**2025**
	$ 279,795	$ 292,357	$ 291,801	$ 285,261	$ 295,797	$ 311,477
	69,120	55,449	50,192	62,406	67,995	65,999
	(76,423)	(64,903)	(43,512)	(29,450)	(23,058)	(19,023)
	$ 272,492	$ 282,903	$ 298,481	$ 318,217	$ 340,734	$ 358,453
	$ 133,349	$ 141,819	$ 146,685	$ 147,283	$ 154,488	$ 159,738
	3,147	2,871	2,898	3,099	3,665	3,638
	5,262	8,135	13,848	10,899	3,264	(5,603)
	$ 141,758	$ 152,825	$ 163,431	$ 161,281	$ 161,417	$ 157,772
	$ 413,144	$ 434,176	$ 438,486	$ 432,544	$ 450,285	$ 471,215
	72,267	58,320	53,090	65,505	71,659	69,637
	(71,161)	(56,768)	(29,664)	(18,551)	(19,794)	(24,627)
	$ 414,250	$ 435,728	$ 461,912	$ 479,498	$ 502,150	$ 516,225

City of Grapevine, Texas
Changes in Net Position Last Ten Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental activities:				
General government	$ 21,301	$ 20,417	$ 19,231	$ 18,382
Public safety	31,686	35,651	35,954	38,472
Culture and recreation	18,354	21,087	19,597	21,341
Public works	13,590	16,585	16,826	17,930
Transportation	9,600	9,078	9,467	10,047
Economic development	15,976	9,757	14,954	5,122
Tourism	18,526	20,507	21,561	23,886
Interest on long-term debt	5,480	5,332	5,174	5,312
Total governmental activities expenses	134,513	138,414	142,764	140,492
Business-type activities:				
Water and sewer	20,498	20,926	22,411	23,901
Lake Enterprise	3,256	3,242	3,217	4,159
Total business-type activities expenses	23,754	24,168	25,628	28,060
Total primary government expenses	$ 158,267	$ 162,582	$ 168,392	$ 168,552
Program Revenues				
Governmental activities:				
Fees, fines, and charges for services:				
General government	$ 2,735	$ 2,155	$ 1,962	$ 2,050
Public safety	3,789	2,198	1,663	2,200
Culture and recreation	4,526	6,003	6,340	4,394
Public works	1,495	3,367	3,449	3,674
Transportation	-	-	-	-
Tourism	7,721	7,840	7,882	7,635
Operating grants and contributions	383	1,079	2,200	993
Capital grants and contributions	9,549	8,171	5,007	23,230
Total governmental activities program revenues	30,198	30,813	28,503	44,176
Business-type activities:				
Charges for services:				
Water and sewer	23,824	24,663	28,267	28,267
Lake Enterprise	2,816	3,174	3,131	3,131
Capital grants and contributions	17,981	1,803	4,984	4,984
Total business-type activities program revenues	44,621	29,640	36,382	36,382
Total primary government program revenues	$ 74,819	$ 60,453	$ 64,885	$ 80,558

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 21,449	$ 20,934	$ 32,737	$ 26,489	$ 27,151	$ 33,134
41,528	38,778	37,900	49,426	50,414	57,553
22,432	22,802	21,178	26,699	27,100	29,088
18,876	15,787	18,684	18,970	21,247	15,908
8,642	9,367	13,301	14,634	14,562	15,003
4,881	8,713	4,292	4,248	8,287	8,907
16,982	17,560	20,482	27,684	26,552	27,004
5,823	5,289	4,132	4,347	4,767	4,473
140,613	139,230	152,706	172,497	180,080	191,069
25,228	27,564	30,061	35,132	36,419	38,839
2,790	2,414	3,676	6,472	6,633	6,936
28,018	29,978	33,737	41,604	43,052	45,775
$ 168,631	$ 169,208	$ 186,443	$ 214,101	$ 223,132	$ 236,844
$ 1,495	$ 2,066	$ 3,574	$ 7,036	$ 4,109	$ 366
2,183	2,228	3,155	350	363	4,441
5,258	6,351	8,993	9,986	10,339	8,458
3,078	3,055	4,325	4,803	4,973	4,150
-	14	20	22	23	-
3,407	5,426	7,683	8,532	8,833	13,323
3,576	8,888	3,273	5,401	3,963	6,064
6,733	12,214	2,300	1,512	5,607	1,714
25,730	40,242	33,323	37,642	38,210	38,516
27,224	29,309	31,286	32,636	33,318	33,627
3,057	3,842	4,256	5,897	6,445	7,146
3,714	8,128	5,247	1,112	2,045	1,432
33,995	41,279	40,789	39,645	41,808	42,204
$ 59,725	$ 81,521	$ 74,112	$ 77,287	$ 80,018	$ 80,720

City of Grapevine, Texas
Changes in Net Position Last Ten Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Net (Expense) Revenues				
Governmental activities	$ (104,316)	$ (107,602)	$ (114,261)	$ (96,317)
Business-type activities	20,868	5,472	10,754	5,850
Total primary government net expense	(83,448)	(102,130)	(103,507)	(90,467)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property	31,617	26,027	28,561	30,849
Franchise	6,818	6,602	7,145	6,898
Hotel occupancy	18,965	18,801	19,875	20,767
Sales	55,884	53,854	56,029	59,298
Mixed beverage	1,710	1,733	1,793	2,146
Investment earnings	887	1,523	2,737	3,784
Gain on sale of capital assets	4,144	1,605	262	2,076
Miscellaneous	204	579	331	420
Transfers	(2,164)	3,199	3,020	6,951
Total governmental activities	118,065	113,923	119,753	133,189
Business-type activities:				
Investment earnings	148	306	580	650
Gain on sale of capital assets	-	-	-	-
Miscellaneous	-	-	-	-
Transfers	2,164	(3,199)	(3,020)	(6,951)
Total business-type activities	2,312	(2,893)	(2,440)	(6,301)
Total primary government	120,377	111,030	117,313	126,888
Change in Net Position				
Governmental activities	13,748	6,323	5,492	36,872
Business-type activities	23,182	2,578	8,314	(451)
Total primary government	$ 36,930	$ 8,901	$ 13,806	$ 36,421

Fiscal Year					
2020	**2021**	**2022**	**2023**	**2024**	**2025**
$ (114,883)	$ (98,989)	$ (119,475)	$ (134,855)	$ (141,871)	$ (152,553)
5,977	11,212	7,052	(1,959)	(1,244)	(3,571)
(108,906)	(87,777)	(112,423)	(136,814)	(143,115)	(156,124)
33,161	34,037	33,226	34,683	36,531	37,748
6,182	5,978	6,585	7,014	6,804	6,737
11,721	12,626	21,030	23,043	23,744	23,513
51,112	56,914	73,127	78,738	84,073	87,757
1,477	1,793	2,377	2,702	2,729	2,729
1,893	26	955	6,044	7,668	6,954
227	711	-	162	-	623
865	264	1,075	490	1,418	2,122
5,889	407	(3,323)	1,714	1,420	2,090
112,527	112,756	135,052	154,590	164,387	170,272
296	25	224	1,523	1,856	1,458
-	237	6	-	-	267
-	-	-	-	943	292
(5,889)	(407)	3,323	(1,714)	(1,420)	(2,090)
(5,593)	(145)	3,553	(191)	1,379	(73)
106,934	112,611	138,605	154,399	165,766	170,199
(2,356)	13,768	15,577	19,736	22,517	17,719
384	11,067	10,606	(2,150)	135	(3,644)
$ (1,972)	$ 24,835	$ 26,183	$ 17,586	$ 22,652	$ 14,075

City of Grapevine, Texas
Fund Balances - Governmental Funds Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
General fund:				
Nonspendable*	$ 779	$ 943	$ 1,303	$ 1,209
Assigned	-	-	1,401	901
Unassigned	12,753	11,452	12,852	12,186
Total general fund	$ 13,532	$ 12,395	$ 15,556	$ 14,296
All other governmental funds:				
Nonspendable	$ 322	$ 1,153	$ 566	$ 155
Restricted	99,110	93,285	111,728	104,007
Committed	2,007	2,242	2,632	2,770
Assigned	48,712	42,036	28,026	39,943
Unassigned	(3,769)	(5,076)	(3,106)	(4,491)
Total all other governmental funds	$ 146,382	$ 133,640	$ 139,846	$ 142,384

Note:

*Includes inventory, advances to other funds, and prepaid items.

Fiscal Year					
2020	**2021**	**2022**	**2023**	**2024**	**2025**
$ 893	$ 1,061	$ 1,122	$ 890	$ 918	$ 967
429	429	395	404	369	-
10,252	10,093	13,110	14,783	15,542	16,374
$ 11,574	$ 11,583	$ 14,627	$ 16,077	$ 16,829	$ 17,341
$ 316	$ 264	$ 331	$ 5,714	$ 4,789	$ 4,558
73,429	50,853	62,169	72,379	84,137	72,359
2,366	2,311	6,001	6,804	7,815	8,918
34,049	33,954	32,387	45,572	57,417	67,918
(7,815)	(289)	(338)	(860)	(77)	(3,250)
$ 102,345	$ 87,093	$ 100,550	$ 129,609	$ 154,081	$ 150,502

City of Grapevine, Texas
Changes in Fund Balances - Governmental Funds Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Taxes:				
Property	$ 31,650	$ 25,991	$ 28,350	$ 30,883
Hotel occupancy	18,965	18,801	19,875	20,767
Sales	55,884	53,854	56,029	59,298
Mixed beverage	1,710	1,733	1,793	2,146
Franchise	6,662	6,602	7,064	6,618
Licenses and permits	1,745	1,883	1,604	1,969
Intergovernmental	1,356	1,939	2,270	1,736
Charges for services	15,568	17,308	17,973	16,152
Fines and forfeitures	1,967	1,968	1,736	1,662
Contributions	253	370	318	233
Interest and miscellaneous	2,861	2,630	4,429	4,726
Total revenues	138,621	133,079	141,441	146,190
Expenditures				
General government	19,768	18,543	17,018	16,010
Public safety	27,803	30,441	32,240	34,490
Culture and recreation	14,731	16,686	18,451	17,173
Public works	7,938	10,526	11,367	11,600
Tourism	17,702	19,735	20,335	22,414
Economic development	15,976	9,757	16,639	5,109
Transportation	9,600	9,078	9,467	10,047
Capital outlay	33,576	32,596	30,029	45,994
Debt service:				
Principal	16,099	13,018	12,059	12,564
Interest and fiscal charges	6,234	5,850	5,974	6,001
Bond issuance costs	73	127	392	171
Payment to refunded bond escrow agent	1	-	17,025	6,077
Other	10	120	47	141
Total expenditures	169,511	166,477	191,043	187,791
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,890)	(33,398)	(49,602)	(41,601)
Other Financing Sources (Uses)				
Issuance of debt	3,070	10,900	51,740	5,395
Premium(discount) on issuance of debt	192	590	1,265	1,973
Payment to refunded bond escrow agent	-	(1,391)	-	-
Issuance of lease	-	-	-	-
Issuance of subscription	-	-	-	4,439
Sale of capital assets	13,856	5,406	311	-
Insurance recoveries	540	649	66	63
Transfers in	21,735	56,144	46,963	24,310
Transfers out	(17,764)	(52,781)	(43,943)	(17,357)
Total other financing sources (uses)	21,629	19,517	56,402	18,823
Net Change in Fund Balances	$ (9,261)	$ (13,881)	$ 6,800	$ (22,778)
Debt Service As A Percentage of Noncapital Expenditures	16.4%	14.1%	11.2%	13.1%

Fiscal Year					
2020	2021	2022	2023	2024	2025
$ 33,150	$ 34,088	$ 33,314	$ 34,769	$ 36,404	$ 37,678
11,721	12,626	21,030	23,965	24,567	23,513
51,112	56,914	73,127	78,738	84,073	87,757
1,477	1,793	2,377	2,702	2,729	2,729
6,408	6,059	6,585	7,014	6,804	6,737
1,345	1,460	1,374	1,655	2,181	2,231
22,071	7,448	5,219	4,836	6,699	9,405
12,544	15,995	24,413	24,016	24,378	28,848
1,125	1,055	1,173	1,494	1,424	1,428
124	130	1,776	280	270	220
2,810	835	2,029	6,545	8,113	7,971
143,887	138,403	172,417	186,014	197,642	208,517
17,979	18,489	24,367	21,680	22,389	21,916
36,886	35,687	38,804	42,646	46,569	51,547
18,583	18,060	17,394	20,003	22,450	23,746
12,720	10,906	14,048	13,678	14,741	15,890
15,649	17,177	13,301	26,296	25,612	25,882
4,851	8,699	4,352	4,186	8,098	8,876
8,642	9,367	19,561	14,634	14,562	15,003
58,610	27,244	5,125	13,858	23,571	35,704
12,759	11,540	12,124	13,071	12,955	13,990
6,550	5,941	4,560	4,500	4,213	4,682
-	-	-	133	87	-
-	302	-	-	-	-
135	125	137	200	169	1
193,364	163,537	153,773	174,885	195,416	217,238
(49,477)	(25,134)	18,644	11,129	2,226	(8,721)
-	55,165	-	13,510	15,718	-
-	832	-	769	1,069	-
-	(44,715)	-	-	-	-
-	-	171	-	3,546	18
1,471	648	361	322	226	789
-	-	-	-	142	1,652
53	488	649	3,067	916	1,105
22,063	20,500	20,845	20,792	24,556	26,564
(16,174)	(19,667)	(24,169)	(19,077)	(23,173)	(24,474)
7,413	13,251	(2,143)	19,383	23,000	5,654
$ (42,064)	$ (11,883)	$ 16,501	$ 30,512	$ 25,226	$ (3,067)
14.3%	12.8%	11.2%	10.9%	10.0%	10.3%

City of Grapevine, Texas
Taxable Sales by Category Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

Function/Program	Fiscal Year 2016	2017	2018	2019
Agriculture/forestry/fishing/hunting	$ 91	$ 253	$ -	$ -
Utilities	-	-	120	505
Construction	53,763	59,903	65,214	75,647
Manufacturing	161,142	160,911	166,837	196,578
Wholesale trade	299,678	300,792	323,073	331,027
Retail trade	931,680	938,782	945,177	925,983
Transportation/warehousing	12,455	12,587	9,951	10,423
Information	68,142	39,913	40,091	35,698
Finance/insurance	885	1,190	1,691	887
Professional/scientific/technical	31,969	31,014	35,322	32,907
Real estate/rental/leasing	63,638	66,688	67,963	66,390
Management of companies/enterprises	-	-	2,719	3,029
Admin/support/waste mgmt/remediation svcs	55,143	54,605	49,130	42,620
Educational services	634	383	364	436
Health care/social assistance	1,784	1,589	1,494	1,554
Arts/entertainment/recreation	22,104	26,622	28,611	28,966
Accommodation/food service	586,563	595,409	625,298	677,604
Other services (except public administration)	49,898	38,372	37,280	55,413
Unclassified	8	-	-	-
Total	$ 2,339,577	$ 2,329,013	$ 2,400,335	$ 2,485,667
City direct sales tax rate	2.0%	2.0%	2.0%	2.0%

Source: Texas Comptroller

Fiscal Year					
2020	**2021**	**2022**	**2023**	**2024**	**2025**
$ 149	$ -	$ -	$ 116	$ 299	$ 196
243	724	516	274	-	-
61,898	77,933	96,399	125,543	76,507	66,586
167,081	157,886	181,987	179,006	185,843	150,035
333,059	432,066	450,011	459,411	424,872	301,717
821,887	1,060,896	1,183,005	1,152,057	1,207,813	936,897
10,437	11,343	18,954	16,805	15,317	13,334
21,076	23,562	134,971	170,544	176,412	138,428
826	1,113	1,736	2,435	3,426	1,649
37,018	45,680	75,494	61,814	58,798	47,452
58,714	60,236	94,460	82,482	77,523	66,912
2,071	2,325	2,349	2,955	3,447	2,827
43,711	47,408	60,706	66,368	68,136	33,673
534	345	334	734	760	573
1,192	1,661	1,783	2,153	2,213	1,775
20,554	26,951	30,917	44,240	71,568	39,725
440,309	490,396	715,886	871,385	954,910	763,726
40,032	55,608	54,295	51,223	50,229	39,490
-	-	-	-	-	-
$ 2,060,791	$ 2,496,133	$ 3,103,803	$ 3,289,545	$ 3,378,073	$ 2,604,995
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

City of Grapevine, Texas
Direct and Overlapping Sales Tax Rates Last Ten Years (Unaudited)
September 30, 2025 **Table 6**

Fiscal Year	City Direct Rate	State of Texas
2015	2.00%	6.25%
2016	2.00%	6.25%
2017	2.00%	6.25%
2018	2.00%	6.25%
2019	2.00%	6.25%
2020	2.00%	6.25%
2021	2.00%	6.25%
2022	2.00%	6.25%
2023	2.00%	6.25%
2024	2.00%	6.25%
2025	2.00%	6.25%

Source: City Budget Office and Texas Comptroller

City of Grapevine, Texas
Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025 **Table 7**

Fiscal Year	Estimated Market Value: Real Property	Estimated Market Value: Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2016	8,127,156	2,620,115	3,874,106	6,873,165	0.3284
2017	9,369,452	2,705,089	4,462,148	7,612,393	0.2893
2018	9,911,677	3,033,390	4,586,943	8,358,124	0.2893
2019	10,450,709	3,316,173	4,760,485	9,006,397	0.2893
2020	11,430,947	3,416,886	5,069,749	9,778,084	0.2843
2021	11,592,137	3,915,491	5,281,076	10,226,552	0.2826
2022	11,731,849	3,361,359	4,381,740	10,711,468	0.2718
2023	12,820,834	3,883,206	5,640,781	11,063,259	0.2718
2024	14,519,611	4,282,458	6,570,994	12,231,075	0.2506
2025	15,133,375	4,244,338	6,158,913	13,218,800	0.2412

Source: Grapevine/Colleyville ISD Tax Assessor

City of Grapevine, Texas
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years (Unaudited)
September 30, 2025 **Table 8**

	City Direct Rates			Overlapping Rates				
Fiscal Year	Operating/ General Rate	Debt Service	Total Direct Rate	Junior College	School District	Hospital District	County	Total Direct and Overlapping Rates
2016	0.1421	0.1863	0.3284	0.1495	1.3201	0.2279	0.2640	2.2899
2017	0.1265	0.1628	0.2893	0.1447	1.3967	0.2279	0.2540	2.3126
2018	0.1347	0.1545	0.2892	0.1401	1.3967	0.2244	0.2440	2.2944
2019	0.1306	0.1587	0.2893	0.1361	1.3967	0.2244	0.2340	2.2805
2020	0.1416	0.1427	0.2843	0.1302	1.3267	0.2244	0.2340	2.1996
2021	0.1435	0.1391	0.2826	0.1302	1.3031	0.2244	0.2340	2.1743
2022	0.1404	0.1314	0.2718	0.1302	1.2751	0.2244	0.2290	2.1305
2023	0.1437	0.1281	0.2718	0.1302	1.1308	0.2244	0.2240	1.9812
2024	0.1363	0.1142	0.2505	0.1122	0.9247	0.1945	0.1945	1.6764
2025	0.1318	0.1094	0.2412	0.1123	0.9233	0.1825	0.1875	1.6468

Source: Tarrant County Appraisal District

Note: Tax rate limitations imposed by the Home Rules Section of the Texas Constitution, Article II, Section 5, provide that a maximum tax rate of $2.50 per $100 valuation may be imposed in any one year. No provisions are made limiting the amount of this $2.50 tax rate that can be used for debt service.

City of Grapevine, Texas
Principal Property Taxpayers Current Year and Nine Years Ago
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025

Table 9

Taxpayer	FY 2025 Taxable Assessed Value	FY 2025 Percentage of Total City Taxable Assessed Value	Taxpayer	FY 2016 Taxable Assessed Value	FY 2016 Percentage of Total City Taxable Assessed Value
American Airlines Inc/Envoy Air Inc	$ 642,014	4.86%	Gaylord Texan Resort	$ 559,232	8.14%
Opryland Hotels	503,041	3.81%	American Airlines/Envoy Air	375,480	5.46%
Grapevine Mills	233,857	1.77%	Grapevine Mills	248,726	3.62%
Great Wolf Lodge	151,250	1.14%	Great Wolf Lodge	120,092	1.75%
Fund Riverwalk LLC	150,600	1.14%	Mesa Airlines	103,188	1.50%
ONCOR Electric Delivery	134,503	1.02%	Fund Riverwalk LLC	90,029	1.31%
3225 N Grapevine LP/RRE Grapevine Holdings	122,700	0.93%	CAE Eimuflite	71,751	1.04%
WMCI Dallas IX	116,600	0.88%	Rackspace US Inc	68,645	1.00%
Silver Oaks	110,400	0.84%	Silver Oaks LP	62,506	0.91%
GGIF Grapevine	105,000	0.79%	Spirit Airlines Inc	57,432	0.84%
Total	$ 2,269,965	17.18%	Total	$ 1,757,081	25.56%
		$ 0.1717			
Source: Grapevine/Colleyville ISD Tax Assessor Grapevine ACFR 2016		$ 13,218,800	Total taxable assessed value from Table 7		

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City of Grapevine, Texas
Property Tax Levies and Collections Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands)
September 30, 2025 **Table 10**

Fiscal Year Ended	Taxes Levied for the Fiscal Year			Collections Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Original Levy*	Adjustments	Adjusted Levy	Amount	Percentage of Levy Collected		Amount	Percentage of Levy
2016	$ 21,506	$ 1,064	$ 22,570	$ 22,498	99.68%	50	$ 22,548	99.90%
2017	21,669	290	21,959	21,905	99.75%	33	21,938	99.90%
2018	23,387	770	24,157	24,023	99.45%	116	24,139	99.93%
2019	25,711	283	25,994	25,946	99.82%	33	25,979	99.94%
2020	27,136	332	27,468	27,532	100.23%	(84)	27,448	99.93%
2021	27,568	1,049	28,617	28,674	100.20%	(78)	28,596	99.93%
2022	28,638	426	29,064	29,004	99.79%	28	29,032	99.89%
2023	28,630	1,295	29,925	30,048	100.41%	(165)	29,883	99.86%
2024	30,560	(5)	30,555	30,515	99.87%	-	30,515	99.87%
2025	31,610	(265)	31,345	31,262	99.74%	-	31,262	99.74%

Source: Grapevine/Colleyville ISD Tax Assessor

*Excludes property tax contributions from Grapevine/Colleyville ISD related to TIF#2

City of Grapevine, Texas
Ratios of Outstanding Debt by Type Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands, excluding
Percentage of Personal Income and Per Capita)
September 30, 2025

	Governmental Activities						
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Contractual Obligations	Revenue Bonds	Leases	Subscriptions	Tax Notes
2016	88,200	14,065	4,224	36,855	-	-	2,529
2017	80,718	21,286	3,692	34,630	-	-	1,934
2018	73,200	51,470	5,645	34,153	-	-	1,209
2019	96,587	43,645	4,878	31,480	-	-	612
2020	88,523	42,303	4,088	28,703	-	-	-
2021	82,543	52,121	3,280	25,810	-	-	-
2022	76,084	49,695	2,418	22,808	166	-	-
2023	69,339	61,670	1,637	19,680	130	208	-
2024	63,510	75,067	1,297	16,423	166	-	-
2025	57,497	71,289	946	13,065	2,872	1,056	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

* See Table 17 for personal income and population data.

Business-type Activities						
General Obligation Bonds	Certificates of Obligation	Leases	Subscriptions	Total Primary Government Debt	Percentage of Personal Income	Per Capita*
2,551	8,902	-	-	157,326	7.16%	3,147
2,388	8,902	-	-	153,550	6.82%	3,011
1,892	8,901	-	-	176,470	7.85%	3,394
1,025	8,476	-	-	186,703	8.11%	3,523
556	8,051	-	-	172,224	6.85%	3,189
72	7,621	-	-	171,447	6.45%	3,176
43	7,171	12	-	158,397	5.97%	3,106
-	6,748	50	-	159,462	6.24%	3,555
-	26,319	12	-	182,794	5.76%	3,515
-	25,244	18	68	172,055	5.35%	3,234

City of Grapevine, Texas
Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands except
Percentage of Actual Taxable Value of Property and Per Capita)
September 30, 2025

	Governmental Activities				
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Contractual Obligations	Tax Notes	Total
2016	88,200	14,065	4,224	2,373	108,862
2017	80,718	21,286	3,692	1,796	107,492
2018	73,200	51,470	5,645	1,209	131,524
2019	96,587	43,645	4,878	612	145,722
2020	88,523	42,303	4,088	-	134,914
2021	82,543	52,121	3,280	-	137,944
2022	76,084	49,695	2,418	-	128,197
2023	67,695	58,860	1,585	-	128,140
2024	61,985	71,413	1,262	-	134,660
2025	56,090	67,861	929	-	124,879

Note: Details regarding the City's outstanding debt can be found in notes to the financial statements.

(1) See Table 7 for property value data.
(2) See Table 17 for population data.

Business-type Activities					
General Obligation Bonds	Certificates of Obligation	Resources Restricted For Debt Service	Net Bonded Debt	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
2,551	8,902	17,938	102,377	1.49%	2,048
2,388	8,902	16,087	102,695	1.35%	2,014
1,892	8,901	9,829	132,488	1.59%	2,548
1,025	8,476	18,050	137,173	1.52%	2,588
556	8,051	20,258	123,263	1.26%	2,283
72	7,621	23,270	122,367	1.20%	2,267
43	7,171	23,890	111,521	1.26%	2,187
-	6,450	23,890	110,700	1.22%	2,129
-	24,927	27,258	132,329	1.30%	2,545
-	23,949	28,250	120,578	1.22%	2,319

City of Grapevine, Texas
Direct and Overlapping Governmental Activities Debt (Unaudited)
September 30, 2025 **Table 13**

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt Repaid with Property Taxes:			
Carroll Independent School District	$ 233,465,000	5.61%	$ 13,097,387
Coppell Independent School District	421,575,194	2.57%	10,834,482
Dallas County	179,530,000	0.11%	197,483
Dallas County Hospital District	511,285,000	0.11%	562,414
Dallas County Community College District	247,115,000	0.11%	271,827
Denton County	721,100,000	less than .01%	-
Grapevine-Colleyville Independent School District	302,425,000	53.63%	162,190,528
Lewisville ISD	1,545,585,000	less than .01%	-
Northwest Independent School District	2,988,390,000	0.02%	597,678
Tarrant County	314,050,000	4.58%	14,383,490
Tarrant County College District	547,535,000	4.58%	25,077,103
Tarrant County Hospital District	431,255,000	4.58%	19,751,479
Subtotal overlapping debt			246,963,870
Total direct – City of Grapevine	$ 146,725,459	100.00%	146,725,459
Direct and Overlapping Debt			$ 393,689,329
Total Direct and Overlapping Debt % of A.V.:		2.81%	
Total Direct and Overlapping Debt per Capita:		$ 7,739	

The percentage of overlapping debt applicable is estimated using taxable assessed property values.

Source: Municipal Advisory Council of Texas

City of Grapevine, Texas
Legal Debt Margin Information Last Ten Fiscal Years (Unaudited)
September 30, 2025 **Table 14**

Tax rate limitations imposed by the Home Rules Section of the Texas Constitution, Article II, Section 5, provide that a maximum tax rate of $2.50 per $100 valuation may be imposed in any one year.

City of Grapevine, Texas
Pledged Revenue Coverage Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands, except Coverage)
September 30, 2025 **Table 15**

	4B Economic Development Fund				
Fiscal Year	Total Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Principal and Interest Payments	Coverage
2016	$ 4,170	$ 3,224	$ 946	$ 1,595	0.59
2017	4,062	2,167	1,895	1,593	1.19
2018	4,256	1,918	2,338	1,593	1.47
2019	4,394	1,642	2,752	1,396	1.97
2020	3,873	3,518	355	1,401	0.25
2021	4,699	3,262	1,437	1,401	1.03
2022	5,638	4,599	1,039	1,399	0.74
2023	5,874	4,155	1,719	1,401	1.23
2024	6,202	4,841	1,361	1,398	0.97
2025	7,561	4,005	3,556	1,397	2.55

Notes: (1) Includes tax revenues only.

(2) Includes operating transfers out.

Source: Annual Comprehensive Financial Report

City of Grapevine, Texas
Pledged Revenue Coverage Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Thousands, except Coverage)
September 30, 2025 **Table 16**

	Tax Increment Financing District Reinvestment Zone Number Two				
Fiscal Year	Total Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Principal and Interest Payments	Coverage
2016	$ 4,416	$ 2,714	$ 1,702	$ 2,273	0.75
2017	4,697	1,410	3,287	2,282	1.44
2018	4,818	1,410	3,408	2,281	1.49
2019	5,806	1,430	4,376	2,287	1.91
2020	6,296	1,510	4,786	2,296	2.08
2021	6,253	1,510	4,743	2,301	2.06
2022	4,726	1,510	3,216	2,295	1.40
2023	5,192	1,910	3,282	2,295	1.43
2024	6,563	3,215	3,348	2,301	1.45
2025	7,276	4,886	2,391	2,308	1.04

Notes: (1) Includes tax revenues only.

(2) Includes operating transfers out.

Source: Grapevine Tax Increment Financing District Reinvestment Zone Number Two Debt Service Fund Basic Financial Statements

City of Grapevine, Texas
Demographic And Economic Statistics Last Ten Calendar Years
(Unaudited) (Amounts Expressed in Thousands except for
Median Age and Unemployment Rate)
September 30, 2025 **Table 17**

Calendar Year	(1) Estimated Population	(1) Personal Income	(1) Personal Income Per Capita	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
2016	50	2,197	42	39	14	3.7%
2017	51	2,252	44	39	14	3.1%
2018	52	2,249	44	39	14	3.0%
2019	53	2,303	45	39	14	2.8%
2020	54	2,515	47	38	14	6.1%
2021	54	2,659	49	39	14	3.5%
2022	51	2,652	52	39	14	2.7%
2023	52	2,964	57	38	14	2.8%
2024	52	3,172	61	39	13	3.9%
2025	52	3,216	61	40	14	3.4%

Sources: (1) Estimate from City Economic Development Dept staff

(2) Grapevine/Colleyville ISD

(3) Bureau of Labor Statistics

City of Grapevine, Texas
Principal Employers Current Year and Nine Years Ago
(Unaudited) (Amounts Expressed in Thousands except for Percentage of Total City Employment)
September 30, 2025 **Table 18**

2025			2016		
Employer	Employees	Percentage of Total City Employment (1)	Employer	Employees	Percentage of Total City Employment (2)
Gaylord Texan	2.00	3.66%	GameStop Corp	2.40	6.17%
DFW International Airport	1.90	3.48%(3)	DFW International Airport	2.00	5.14%(3)
GCISD	1.89	3.46%	United Parcel Service	2.00	5.14%
Paycom	1.30	2.38%	GISD	1.80	4.63%
Baylor Scott & White	0.66	1.21%	Gaylord Texan	1.80	4.63%
Great Wolf Lodge	0.60	1.10%	Baylor Medical Center	1.10	2.83%
City of Grapevine	0.59	1.08%	Great Wolf Lodge	0.60	1.54%
CAE USA	0.40	0.73%	City of Grapevine	0.60	1.54%
Hyatt Regency DFW	0.50	0.92%	Pavestone Mfg.	0.40	1.03%
Kubota	0.55	1.01%	Hilton DFW Lakes	0.40	1.03%
	10.39	19.03%		13.10	33.68%

Total Employees 2025 54,621

Sources: (1) City of Grapevine Economic Development Department

(2) 2016 ACFR

(3) 2025 number of employees employed by DFW airport was adjusted to include airport employees only and not surrounding businesses.

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City of Grapevine, Texas
Full Time Equivalent City Government Employees By Function/Program Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Whole Numbers)
September 30, 2025 **Table 19**

	Fiscal Year									
Function/Program	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General government and administration	60	60	59	58	58	58	58	57	57	58
Public safety	240	252	253	252	253	253	253	253	253	261
Development services	15	15	15	15	15	15	15	15	15	15
Culture and recreational	132	135	135	136	141	141	141	141	142	142
Water and sewer	59	59	59	59	59	59	59	59	59	59
Golf course	19	19	19	19	19	19	19	25	25	25
Public works	61	62	62	62	62	62	62	63	64	64
Total	586	602	602	601	607	607	607	613	615	624

Source: Human Resources Department - City of Grapevine

City of Grapevine, Texas
Operating Indicators by Function/Program Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Whole Numbers)
September 30, 2025

Function/Program	Fiscal Year 2016	2017	2018	2019
General Government				
City Secretary				
Ordinances prepared	90	84	88	87
Resolutions prepared	106	106	100	35
Fiscal Services				
Invoices processed	19,098	18,944	17,075	16,690
Ratio of ACH/checks	53.60	58.80	57.10	55.73
Public safety				
Police				
Calls for service	52,613	47,751	43,402	41,059
Traffic citations	14,566	13,269	11,705	13,574
Criminal offenses	2,812	2,740	2,570	2,664
Fire				
Fire runs	5,905	6,161	6,026	6,192
Ambulance runs	4,893	4,432	4,047	4,291
Municipal Court				
Cases filed	16,398	15,578	14,088	13,574
Cultural and recreational				
Parks & Recreation				
Recreation center membership-family	11,512	12,126	12,273	9,969
Recreation center membership-individual	4,660	5,687	4,748	4,046
Athletic league registrants- youth	6,860	1,450	1,500	3,472
Athletic league registrants- adult	7,370	5,746	5,092	1,863
Public swim attendance	101,774	106,359	98,192	92,436
% Campground occupancy rate	13.83	70.99	71.65	41.81
Total acres maintained	1,677	1,677	1,740	1,556
Library				
Volumes	259,203	234,546	230,284	274,810
Annual circulation	307,662	345,429	342,303	355,594
Public works				
Development services				
Permits issued	4,340	4,369	4,501	4,410
Streets				
Square yard of overlay completed	98,693	79,238	66,432	61,957
Linear feet of gutter wedge milled	50,034	48,404	37,540	27,972
Linear feet of curb and gutter replaced	3,926	1,605	3,812	4,187
Number of blocks crack sealed	179	149	174	117
Square feet of concrete rehab	28,735	49,069	27,112	47,708
Tourism				
Convention and visitor bureau				
Nash farm attendance	11,566	14,868	11,759	15,085
Main street days attendance	178,672	169,560	168,480	141,570
Grapefest attendance	260,151	268,180	260,001	261,000
Water and sewer				
Number of water connections	14,665	14,732	14,788	14,869
Average daily consumption MG (water)	9.30	9.21	9.45	7.75
System capacity - MG (Water)	27	27	27	27
Number of sewer connections	13,570	13,632	13,696	13,766
Number of refuse customers	12,272	12,318	12,394	12,416
Sewer system capacity (MGD)	8	8	8	8
Lake Enterprise				
Numbers of golfers, annually	55,913	64,424	64,382	62,510

Fiscal Year					
2020	2021	2022	2023	2024	2025
70	55	81	98	114	91
21	18	22	24	22	20
16,586	14,803	17,084	21,713	23,345	24,398
53.30	59.20	59.10	60.00	60.30	57
39,006	38,903	46,010	52,891	49,038	48,882
6,736	5,002	4,828	7,339	5,616	7,870
4,658	4,468	4,665	5,562	6,080	5,878
1,832	2,432	2,282	2,202	2,170	2,215
4,008	4,264	4,632	5,001	5,313	5,452
8,275	6,784	8,355	11,637	10,509	11,436
N/A	N/A	N/A	N/A	N/A	N/A
12,869	13,676	20,300	20,574	21,255	21,385
3,200	4,344	4,730	2,198	2,948	4,102
1,900	4,075	3,652	6,393	4,161	3,720
92,436	93,706	97,121	94,341	107,890	124,597
56.20	70.43	82.00	79.00	61.00	62.00
2,635	2,960	2,960	2,960	2,960	2,960
279,817	281,161	331,018	335,425	1,881,495	2,328,437
343,714	313,712	346,602	398,299	421,148	454,637
4,306	4,034	3,843	2,979	3,748	3,724
62,200	78,638	102,000	105,350	65,399	83,296
37,564	21,578	39,491	74,964	41,817	82,446
7,602	3,297	1,800	5,782	3,203	2,980
175	260	180	215	388	197
70,523	42,763	52,000	57,215	63,183	49,700
11,210	17,283	36,110	32,468	20,685	33,730
-	20,000	96,000	131,350	126,700	112,000
-	100,000	201,000	220,900	240,000	205,600
14,887	14,954	14,967	15,051	15,119	15,115
8.55	8.60	10.05	12.66	12.47	10.624
27	27	27	27	27	27
13,797	13,853	13,840	13,883	13,895	13,944
12,446	12,489	12,498	12,521	12,530	12,584
8	8	8	8	8	8
63,815	80,479	83,004	79,382	79,499	82,237

City of Grapevine, Texas
Capital Asset Statistics by Function/Program Last Ten Fiscal Years
(Unaudited) (Amounts Expressed in Whole Numbers)
September 30, 2025 **Table 21**

	Fiscal Year									
Function/Program	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	35	35	35	37	34	31	31	28	31	34
Motorcycle Units	8	8	8	8	8	8	8	8	6	6
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Fire engines/trucks	10	10	10	10	11	11	11	11	11	12
EMS trucks	5	5	5	5	5	5	6	5	5	5
Public works										
Streets – paved (miles)	208	208	211	211	212	197	197	197	198	198
Traffic signals	75	75	76	76	78	78	78	78	79	79
Parks and recreation										
Acreage*	1,677	1,677	1,556	1,556	2,635	2,960	2,960	2,960	2,960	2,960
Playgrounds	37	37	32	36	36	36	47	37	37	37
Swimming pools	3	3	3	3	3	3	3	3	3	3
Splash parks	2	2	3	3	3	5	5	5	5	5
Tennis courts	8	8	8	8	12	12	10	12	12	12
Recreation centers	1	1	1	1	1	1	1	1	1	1
Senior centers	1	1	1	1	1	1	1	1	1	1
Libraries	1	1	1	1	1	1	1	1	1	1
Golf Courses	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	295	295	300	305	306	324	325	327	329	330
Wastewater										
Sanitary sewers (miles)	228	228	226	227	228	251	252	254	255	256

Source: City departments

*Golf course included and land leased from Corp. of Engineers